

Company Registration No. 08133686 (England and Wales)

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

**GOVERNORS REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015**

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Governors

Dov Black
Amir Ellituv
Raymond Feldman
Sydney Fulda
Jonathan Goldblatt
Janine Kasmir
Yehuda Pearlman
Elliot Pine
Joshua Rose
Leonard Seitler
Emma Hasleton
Catherine Davies
Nir Nadav
Angela Addleman
Francine Rose

Accounting officer

Mel Eastwood

Responsible officer

Jonathan Goldblatt

Secretary

David Cohen

Company number

08133686

Principal address

Legh Road
Salford
M7 4RT

Registered office

Legh Road
Salford
M7 4RT

Auditors

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

Bankers

Lloyds Bank plc
42-46 Market Street
Manchester
M1 1PW

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

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BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The Governors, who are also directors for the purposes of company law, have pleasure in presenting their report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2015. Broughton Jewish Cassel Fox (The Academy) was formed on 6th July 2012. The Academy took over the management of Broughton Jewish Cassel Fox Primary School on 1st August 2012.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on the legal and administrative information page.

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 act as trustees for the charitable activities of Broughton Jewish Cassel Fox. Trust board members are the directors of the charitable company for the purpose of company law.

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

Abraham Barr	(Resigned 31 August 2015)
Dov Black	
Amir Ellituv	
Raymond Feldman	
Sydney Fulda	
Jonathan Goldblatt	
Janine Kasmir	
Yehuda Pearlman	
Elliot Pine	
Joshua Rose	
Leonard Seitler	
Anna Shields	(Resigned 9 February 2015)
Emma Hasleton	(Appointed 9 February 2015)
Catherine Davies	
Nir Nadav	
Angela Addleman	
Francine Rose	
Mel Eastwood (Head Teacher)	(Appointed 1 November 2014)
Rachelle Caplan (Acting Head Teacher)	(Resigned 1 November 2014)

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Governors' Indemnities

In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover of up to £2,000,000 being the amount payable in total in any one period of insurance.

Principal Activities

Broughton Jewish Cassel Fox's principal activity is specifically restricted to the following:

The provision of primary school education with a designated Jewish religious character (In accordance with the religious authority of the Chief Rabbi of the United Hebrew Congregations of the Commonwealth) offering a broad and balance curriculum and to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an Orthodox Jewish School offering a broad and balanced curriculum conducted in accordance with the principles and practices of the "Shulchan Oruch" (Code of Jewish Law) - as stated in our Memorandum and Articles.

Method of Recruitment and Appointment or Election of Governors

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

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

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

The Principal is an ex-officio governor.

Policies and Procedures Adopted for the Induction and Training of Governors

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

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 Head Teacher, the Principal, and Senior Management Team. The Principle Accounting Officer is the Head Teacher, but the Chair of the Governors and the Finance Governor operate an additional layer of supervision over the school finances.

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

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

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Connected Organisations, including Related Party Relationships

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.

Risk Management

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

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

The main objectives of the Academy are:

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

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

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

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

We have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

ACHIEVEMENTS AND PERFORMANCE

The Academy continues to achieve forecast numbers of pupils. Total numbers on roll in the period ended 31 August 2015 numbered 419. With the growth in admissions in September 2015 Reception became 3 form entry as did year 1 and 2. There is capacity for this growth to continue and school is working with the authority in planning for this.

2015 KS2 SATs

Pupils are expected to reach Level 4 in their SATs Results, this being the National Average. The table below shows the KS2 Results for the academic year 2014-2015. i.e % of pupils reaching the required level.

- Year group totals are averaged out to give an Average Point Score

Subject	BJPS	National Average
Mathematics	31.5	29.0
Writing	30.7	28.2
English Grammar, Punctuation and Spelling	30.5	29.1
Reading	31.7	29.0

The latest publication of DFE data (Dec 15) shows the School rising considerably in the league tables and is now within the top 1000 schools nationwide.

Going Concern

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

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.

The Academy had an Ofsted inspection in June 2014 with the Report issued in September 2014. The report noted that the Academy was overall requiring improvement. Despite this being the case the leadership and management were found to be good, giving reassurance that new measures will be put in place to improve the education at the Academy and improve the status for the next inspection. The year has seen considerable investment in fixed assets to improve education and an increase in continuous professional development for personnel.

Post Balance Sheet Event

A 'Mock' Ofsted inspection was held in December 2015 and showed that the School has made considerable improvements in its education.

New Appointment

In November 2014 a new Headteacher, Mrs M Eastwood, took over from the previous acting Headteacher, Mrs R Caplan. The new appointment has seen an enhancement in the leadership within the Academy and is expected to continue do so in the future resulting in improved status of the Academy.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The Academy is also monitored through the completion and submission to the Education Funding Agency (EFA) of: -

- The annual abbreviated accounts record and
- The financial plan for the period 2014-2015.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

The Academy's financial objectives are:

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

These objectives were achieved in the period ending 31st August 2015.

Most of the Academy's income is obtained from the EFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ending 31st August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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

During the period ended 31st August 2015, total incoming resources were £1,841,077 and resources expended was £1,897,678. The excess of expenditure over income for the period (net outgoing resources) was £56,601.

In previous years the land and buildings have been recognised in the financial statements of Broughton Jewish Primary School. Whilst no rental was charged the prior year accounts recognised voluntary income and allocated support costs of £125,000 to reflect the grossed up donation and expenditure in accordance with the charities SORP.

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

As a result, a prior period adjustment has been made to reflect the fact that the Academy's share of the buildings were transferred at conversion. The land and buildings have been brought into 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. The notional rent of £125,000 was removed as part of the prior year adjustment. For more details on the prior year adjustment, see note 14.

At 31st August 2015 the net book value of fixed assets were £3,760,742 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 2015 of £3,542,717. This comprised unrestricted general funds of £11,975 plus general restricted funds of £Nil and restricted fixed asset funds of £3,760,742, less the pension scheme deficit of £230,000.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal Risks and Uncertainties

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.

1. Government Funding

The Academy has considerable reliance on continued Government funding through the EFA. In 2014/2015, 86% of the Academy's revenue was ultimately public, and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or in the same terms.

This risk is mitigated in a number of ways:

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

2. Maintain adequate funding 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 (FRS17). This deficit relates to non-teaching staff who are members of Greater Manchester Pension Fund. At 31st August 2015 the deficit amounted to £230,000.

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 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.

Reserves Policy

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

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

Investment Policy

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

**BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY
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GOVERNORS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

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

On behalf of the board of Governors



Jonathan Goldblatt
Chair of Governors/Director

Dated: 24/11/15....

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors responsibilities. Attendance during the year at meetings of the Governing Bodies was as follows:

Full Governors	Meetings attended	Out of possible
Mr D Black (Chair)	4	4
Mrs A Addleman	4	4
Mr A Barr	3	4
Ms C Davies	4	4
Rabbi A Ellituv	2	4
Mr R Feldman	2	4
Mr S Fulda	3	4
Mr J Goldblatt	4	4
Rabbi N Nadav	4	4
Rabbi Y Pearlman	4	4
Mr E Pine	4	4
Mrs F Rose	4	4
Mr J Rose	4	4
Mr L Seidler	3	4
Mrs A Shields	1	1
Mrs E Hasleton	3	3
Mrs J Kasmir	4	4

All other sub-committees have met as required with attendance being noted through minutes of the subcommittee meeting.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

1. Maintaining tight control over expenditure, By making careful consideration of the costs of purchases and their value for money consideration, Evaluating purchase usage and using this knowledge for future purchases, Using Government Preferred Procurement channels (e.g. YPO, RPA Insurance) where possible. The Academy prides itself on using funds effectively.
2. Efficient use of staff. The Academy had a staff restructuring in a bid to reduce salaries and increase efficiencies. The full extent of this restructuring will be seen in the following year 2015-16.
3. Continuing to prioritise resources to teaching as opposed to administration.
4. As a result of controls implemented the school has managed to show a small excess in net incoming resources during the year as opposed to a small deficit in the previous year.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Broughton Jewish Cassel Fox for the period ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been Implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Mr J Goldblatt, as Responsible Officer ('RO'). The RO'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 RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of Effectiveness

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

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Business Manager within the Academy Trust who has responsibility for the development 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 Auditors' Management Note and a plan to address any weaknesses and ensure continuous improvement of the system will be put in place.

**BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY
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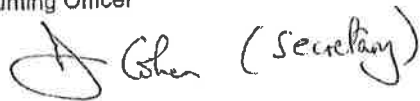
**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

Approved by order of the members of the members of the Governing Body on ⁰² December 2015 and signed on
its behalf by :

Mr J Goldblatt - Director



Mrs M Eastwood - Accounting Officer



Signed on behalf of
Mrs M Eastwood


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

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE PERIOD ENDED 31 AUGUST 2015**

As Accounting Officer of Broughton Jewish Cassel Fox I have considered my responsibility to notify the Academy governing body and the Education Funding Agency of material irregularity, impropriety, and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

 *Chen* SECRETARY
SIGNED ON BEHALF OF
MRS M EASTWOOD

Mrs M Eastwood
Accounting Officer

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF GOVERNORS RESPONSIBILITIES

The Governors (who act as trustees for charitable activities of Broughton Jewish Cassel Fox and are also the directors of the Charitable Company for the purposes of Company Law) are responsible for preparing the Governors' Report and the Financial Statements in accordance with the Annual Accounts Requirement issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- " Select suitable accounting policies and then apply them consistently;
- " Observe the methods and principles in the Charities SORP;
- " Make judgments and estimates that are reasonable and prudent;
- " State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- " Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 11 December 2015 and signed on its behalf by: Mr J Goldblatt, Director



BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

We have audited the accounts of Broughton Jewish Cassel Fox (A Company Limited by Guarantee) for the year ended 31 August 2015 set out on pages 19 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditors

As explained more fully in the statement of Governors responsibilities, the Governors, who are also the directors of Broughton Jewish Cassel Fox (A Company Limited by Guarantee) for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.
- the Governors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



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

Chartered Accountants
Statutory Auditor

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

Dated: ...24/12/2015

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY

TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

In accordance with the terms of our engagement letter dated 18 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, 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 August 2014 to 31 August 2015 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 the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Broughton Jewish Cassel Fox and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Broughton Jewish Cassel Fox and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Broughton Jewish Cassel Fox's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of Broughton Jewish Cassel Fox's funding agreement with the Secretary of State for Education dated 1 August 2012, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY

TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

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

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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

**Chartered Accountants
Statutory Auditor**

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

Dated:24/12/2015

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	As restated Total 2014 £
<u>Incoming resources from generated funds</u>						
Donations and capital grants	2	5,490	269,205	-	274,695	196,939
Activities for generating funds	3	26,797	-	-	26,797	16,732
Investment income	4	154	-	-	154	201
		32,441	269,205	-	301,646	213,872
Funding for the Academy Trust's Educational Operations	5	-	1,539,431	-	1,539,431	1,436,531
Total incoming resources		32,441	1,808,636	-	1,841,077	1,650,403
<u>Resources expended</u>						
Charitable activities						
Academy's educational operations	6	-	1,776,929	111,997	1,888,926	1,744,036
Governance costs		-	8,752	-	8,752	17,648
Total resources expended		-	1,785,681	111,997	1,897,678	1,761,684
Net incoming/(outgoing) resources before transfers		32,441	22,955	(111,997)	(56,601)	(111,281)
Gross transfers between funds		(111,892)	(44,955)	156,847	-	-
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(79,451)	(22,000)	44,850	(56,601)	(111,281)
Other recognised gains and losses						
Actuarial loss on defined benefit pension schemes 15		-	(25,000)	-	(25,000)	(70,000)
Net movement in funds		(79,451)	(47,000)	44,850	(81,601)	(181,281)
Fund balances at 1 September 2014						
As originally reported		91,426	(183,000)	101,876	10,302	116,291
Prior year adjustment (Note 14)		-	-	3,614,016	3,614,016	3,689,308
As restated		91,426	(183,000)	3,715,892	3,624,318	3,805,599
Fund balances at 31 August 2015		11,975	(230,000)	3,760,742	3,542,717	3,624,318

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015		2014 Restated	
		£	£	£	£
Fixed assets					
Tangible assets	11		3,760,742		3,715,892
Current assets					
Debtors	12	36,918		56,356	
Cash at bank and in hand		206,891		178,829	
		<u>243,809</u>		<u>235,185</u>	
Creditors: amounts falling due within one year	13	<u>(231,834)</u>		<u>(143,759)</u>	
Net current assets			<u>11,975</u>		<u>91,426</u>
Total assets less current liabilities			<u>3,772,717</u>		<u>3,807,318</u>
Defined benefit pension liability			<u>(230,000)</u>		<u>(183,000)</u>
Net assets			<u><u>3,542,717</u></u>		<u><u>3,624,318</u></u>
Income funds					
Restricted funds:					
Restricted fixed assets funds		<u>3,760,742</u>		<u>3,715,892</u>	
Restricted funds excluding pension liability		<u>3,760,742</u>		<u>3,715,892</u>	
Pension reserve		<u>(230,000)</u>		<u>(183,000)</u>	
Total restricted funds			<u>3,530,742</u>		<u>3,532,892</u>
Unrestricted funds			<u>11,975</u>		<u>91,426</u>
			<u><u>3,542,717</u></u>		<u><u>3,624,318</u></u>

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

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2015

The accounts were approved by the trustees and authorised for issue on ... 22/12/2015 and are signed on
on their behalf by



Jonathan Goldblatt

Chair of Governors/Director

Company Registration No. 08133686

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 Restated £
Net cash inflow from operating activities	18	184,755	65,765
Returns on investments and servicing of finance			
Investment income		<u>154</u>	<u>201</u>
Net cash inflow from returns on investments and servicing of finance		154	201
Capital expenditure			
Payments to acquire tangible fixed assets		<u>(156,847)</u>	<u>(19,274)</u>
Net cash outflow from capital expenditure		(156,847)	(19,274)
Increase in cash		<u>28,062</u>	<u>46,692</u>

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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

In making their assessment, the Governors have considered the guidance by the Charity Commission and the ICAEW's Technical Release 1/02 in relation to the FRS 17 Pensions liability which is long term in nature. Consequently, as the Academy is able to pay its debts as they fall due and able to meet the cashflow requirements of the Academy, including the contributions arising under the pension scheme, the Governors have prepared the accounts on a going concern basis.

The governors are confident that the Academy is able to meet all of its liabilities as they fall due out of operational cashflows and budgets show that unrestricted reserves remain in a positive net current asset position for the foreseeable future.

The governors have prepared a budget for 2015/16 and are predicting a small surplus. As a result the accounts have been prepared on a going concern basis.

The Governors have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. Maintaining pupil numbers is a key priority for the Academy and marketing.

1.2 Incoming resources

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

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 and there is not unconditional entitlement to the income its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting Policies

(continued)

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

1.3 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Cost of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

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

Land and buildings, for which the Academy have an agreement for the use of, have been recognised as Tangible Fixed Assets of the Academy in accordance with the EFA's direction.

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

Long Term Leasehold Property - 2% Straight Line

Fixtures, fittings and equipment - Rates ranging between 10%/20%/33% Straight Line

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting Policies

(continued)

1.5 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 15, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.6 Accumulated funds

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

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

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

1.7 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.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting Policies

(continued)

1.8 VAT accounting

The Finance Act 2011 put in place a special scheme whereby Academies are able to reclaim input VAT on their non-business activities directly from HMRC. Broughton Jewish Cassel Fox Academy has used this scheme during the period to 31 August 2015. Expenditure will be accounted for net of input in the year to 31 August 2015.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2015	Total 2014 Restated
	£	£	£	£
Donations and gifts	5,490	252,279	257,769	177,665
Capital grants	-	16,926	16,926	19,274
	<u>5,490</u>	<u>269,205</u>	<u>274,695</u>	<u>196,939</u>

3 Activities for generating funds

	2015 £	2014 £
Other income	24,390	13,156
Catering income	2,407	3,576
	<u>26,797</u>	<u>16,732</u>

4 Investment income

	2015 £	2014 £
Interest receivable	154	201

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Funding for the Academy Trust's Educational Operations

	2015 £	2014 £
DfE/EFA grants		
General Annual Grant	1,300,764	1,194,659
Start Up Grants	-	-
Other DfE/EFA grants	87,041	-
	<u>1,387,805</u>	<u>1,194,659</u>
 Other Government Grants		
Local Authority Grant	151,626	232,200
Extra District Funding	-	9,672
	<u>151,626</u>	<u>241,872</u>
	<u>1,539,431</u>	<u>1,436,531</u>

6 Total resources expended

	Staff costs £	Non Pay Premises £	Expenditure Other costs £	Total 2015 £	Total 2014 Restated £
Charitable activities					
<u>Academy's educational operations</u>					
Activities undertaken directly	1,167,213	102,523	143,086	1,412,822	1,270,936
Support costs	224,410	9,475	242,219	476,104	473,100
Total	<u>1,391,623</u>	<u>111,998</u>	<u>385,305</u>	<u>1,888,926</u>	1,744,036
 Governance costs	-	-	8,752	8,752	17,648
	<u>1,391,623</u>	<u>111,998</u>	<u>394,057</u>	<u>1,897,678</u>	<u>1,761,684</u>

Governance costs includes payments to the auditors of £7,000 (2014 : £7,000) for audit fees.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Activities undertaken directly

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	As restated 2014 £
Other costs relating to academy's educational operations comprise:				
Teaching and educational support staff costs	-	1,167,213	1,167,213	1,084,102
Depreciation	-	102,523	102,523	76,326
Educational supplies	-	87,780	87,780	55,506
Technology costs	-	39,524	39,524	44,410
Staff development	-	14,133	14,133	10,592
Other direct costs	-	1,649	1,649	-
	-	1,412,822	1,412,822	1,270,936

8 Support costs

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	2014 Restated £
Staff costs	-	224,410	224,410	212,748
Depreciation	-	9,475	9,475	520
Technology costs	-	2,183	2,183	-
Recruitment and support	-	8,143	8,143	10,397
Maintenance of premises and equipment	-	16,530	16,530	51,582
Cleaning	-	46,565	46,565	41,751
Rent and rates	-	4,012	4,012	5,817
Energy costs	-	46,369	46,369	43,345
Insurance	-	22,880	22,880	22,727
Security and transport	-	42,975	42,975	37,876
Catering	-	10,929	10,929	9,986
Other support costs	-	41,633	41,633	36,351
	-	476,104	476,104	473,100

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Governance costs

	2015	2014
	£	£
Other governance costs comprise:		
Legal and professional fees	1,752	10,648
Audit fees	7,000	7,000
	<u>8,752</u>	<u>17,648</u>

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2015	2014
	Number	Number
Teachers (including teaching assistants)	28	26
Administration and support	13	11
Management	3	3
	<u>44</u>	<u>40</u>

Employment costs

	2015	2014
	£	£
Wages and salaries	1,148,967	1,056,718
Social security costs	69,654	63,894
Other pension costs	148,755	136,702
	<u>1,367,376</u>	<u>1,257,314</u>
Supply staff costs	24,247	39,536
Staff restructuring costs	-	-
	<u>1,391,623</u>	<u>1,296,850</u>

Included in wages and salaries is a non-contractual severance payment totalling £Nil (2014:£7,967).

The number of employees whose annual remuneration was £60,000 or more were:

	2015	2014
	Number	Number
£60,001-£70,000	-	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this staff member amounted to £Nil (2014:£8,728).

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Employees

(continued)

Governors Remuneration and Expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

	2015	2014
	£	£
Mel Eastwood	45,000-50,000	-
Rachelle Caplan	55,000-60,000	60,000-65,000
Catherine Davies	35,000-40,000	35,000-40,000
Yehuda Pearlman	50,000-55,000	50,000-55,000
Mel Eastwood - Employer pension contributions	5,000-10,000	
Rachelle Caplan - Employer pension contributions	5,000-10,000	
Catherine Davies - Employer pension contributions	5,000-10,000	
Yehuda Pearlman - Employer pension contributions	5,000-10,000	

Governors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2014	3,764,600	124,468	3,889,068
Additions	-	156,847	156,847
	<u>3,764,600</u>	<u>281,315</u>	<u>4,045,915</u>
Depreciation			
At 1 September 2014	150,584	22,592	173,176
Charge for the year	75,292	36,705	111,997
	<u>225,876</u>	<u>59,297</u>	<u>285,173</u>
Net book value			
At 31 August 2015	<u>3,538,724</u>	<u>222,018</u>	<u>3,760,742</u>
At 31 August 2014	<u>3,614,016</u>	<u>101,876</u>	<u>3,715,892</u>

12 Debtors

	2015	2014
	£	£
Trade debtors	1,951	21,901
Other debtors	12,290	13,819
Prepayments and accrued income	22,677	20,636
	<u>36,918</u>	<u>56,356</u>

13 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	120,567	39,011
Accruals	111,267	104,748
	<u>231,834</u>	<u>143,759</u>

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14 Prior year adjustment

The Academy currently occupies the premises under an occupational agreement with Broughton Jewish Primary School. No licence fee is payable during this period.

In previous years the land and buildings have been recognised in the financial statements of Broughton Jewish Primary School. Whilst no rental was charged the prior year accounts recognised voluntary income and allocated support costs of £125,000 to reflect the grossed up donation and expenditure in accordance with the charities SORP.

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

As a result, a prior period adjustment has been made to reflect the fact that the Academy's share of the buildings were transferred at conversion. The land and buildings have been brought into 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.

The impacts on the comparatives are:

Balance Sheet as at 31 August 2014

Additions of NBV of Land & Buildings as at 1 September 2014	£3,614,016
Less depreciation charge for the year to 31 August 2014	(£75,292)
Net additions to tangible fixed assets	£3,538,724

Statement of Financial Activities for the period to 31 August 2014

Depreciation charge for the year	(£75,292)
Reduction in Income as a result of donated premises cost	(£125,000)
Reduction of notional rent charge as a result of donated premises	£125,000
Net impact on SOFA	(£75,292)

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds	Brought Forward Restated	Incoming Resources	Resources Expended	Gains, Losses and Transfers	Balance at 31 August 2015
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	1,300,764	(1,412,656)	111,892	-
Donations	-	156,847	-	(156,847)	-
Other DfE/EFA grants	-	199,401	(199,401)	-	-
Local Authority Grants	-	151,624	(151,624)	-	-
Pension reserve	(183,000)	-	(22,000)	(25,000)	(230,000)
	<u>(183,000)</u>	<u>1,808,636</u>	<u>(1,785,681)</u>	<u>(69,955)</u>	<u>(230,000)</u>
Restricted fixed asset funds					
Private sector capital sponsorship	101,876	-	(36,705)	156,847	222,018
DfE/EFA capital grants	-	-	-	-	-
Capital expenditure from GAG	-	-	-	-	-
Transfer of buildings	3,614,016	-	(75,292)	-	3,538,724
	<u>3,715,892</u>	<u>-</u>	<u>(111,997)</u>	<u>156,847</u>	<u>3,760,742</u>
Total restricted funds	<u>3,532,892</u>	<u>1,808,636</u>	<u>(1,897,678)</u>	<u>86,892</u>	<u>3,530,742</u>
Unrestricted funds					
Unrestricted funds	91,426	32,441	-	(111,892)	11,975
Total unrestricted funds	<u>91,426</u>	<u>32,441</u>	<u>-</u>	<u>(111,892)</u>	<u>11,975</u>
Total funds	<u>3,624,318</u>	<u>1,841,077</u>	<u>(1,897,678)</u>	<u>(25,000)</u>	<u>3,542,717</u>

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

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

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

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

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14 Funds (continued)

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

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

The deficit on the pension reserve will be eliminated based on future contributions as advised by the schemes actuary. That on general funds will be eliminated by control of future expenditure and if necessary from unrestricted funds.

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 2015.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Pension and other post-retirement benefit commitments

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tameside MBC, Administering Authority for Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2002 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are :

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%));
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

The pension costs paid to TPS in the period amounted to £97,339 (2014: £93,146).

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £72,000 of which employer's contributions totalled £53,000 and employees' contributions totalled £19,000. The agreed contribution rates for future years are 16.6 per cent for employers and between 5.5 and 7.5 per cent depending on pay 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.

	At 31 August 2015	At 31 August 2014
Principal Actuarial Assumptions		
Salary increase rate	3.8%	3.7%
Pension increase rate	2.6%	2.6%
Discount rate	3.7%	3.7%
Expected return on assets	3.7%	5.5%

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Vita Curves with improvements in line with the CMI2010 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

Mortality assumptions	Males	Females
Current Pensioners	21.4 years	24.0 years
Future Pensioners*	24.0 years	26.6 years

* Figures assume members aged 45 as at the last formal valuation date.

	Expected return at 31 August 2015	Fair Value at 31 August 2015 £	Expected return at 31 August 2014	Fair Value at 31 August 2014 £
Equities	3.7%	459,000	6.3%	391,000
Bonds	3.7%	114,000	3.2%	99,000
Property	3.7%	38,000	4.5%	33,000
Cash	3.7%	25,000	3.3%	28,000
Total market value of assets		636,000		551,000
Present value of scheme liabilities				
- Funded		(866,000)		(734,000)
Surplus/(deficit) in the scheme		(230,000)		(183,000)

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost	(78,000)	(60,000)
	(78,000)	(60,000)

Analysis of pension income/(costs)

Expected return on pension scheme assets	32,000	25,000
Interest on pension liabilities	(29,000)	(24,000)
Pension finance income/(costs)	3,000	1,000

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £192,000 loss (2014 : £167,000 loss).

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

	2015 £	2014 £
At 1 September	734,000	492,000
Current service cost	78,000	60,000
Interest cost	29,000	24,000
Employee contributions	19,000	14,000
Actuarial loss	7,000	146,000
Benefits paid	(1,000)	(2,000)
	<hr/>	<hr/>
At 31 August	866,000	734,000

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

	2015 £	2014 £
At 1 September	551,000	395,000
Expected return on assets	32,000	25,000
Actuarial gain/loss	(18,000)	76,000
Employer contributions	53,000	43,000
Employee contributions	19,000	14,000
Benefits paid	(1,000)	(2,000)
	<hr/>	<hr/>
At 31 August	636,000	551,000

The estimated value of employer contributions for the year ended 31 August 2016 is £47,000.

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The history of experience adjustments since the academy joined the scheme is as follows:

	2015 £	2014 £
Present value of defined benefit obligations	(866,000)	(734,000)
Fair value of share of scheme assets	636,000	551,000
	<u>(230,000)</u>	<u>(183,000)</u>

	2015 £	2014 £
Experience adjustments on share of scheme assets - Gains/(Losses)	<u>(18,000)</u>	<u>76,000</u>

	£	£
Experience adjustments on scheme liabilities - Gains/(Losses)	<u>-</u>	<u>(68,000)</u>

Sensitivity Analysis

	Approximate % increase to Employer Liability amount (£000)	Approximate monetary amount (£000)
Changes in assumptions at 31 August 2015		
0.5% decrease in Real Discount Rate	11%	95
1 year increase in member life expectancy	3%	26
0.5% increase in the Salary Increase Rate	4%	36
0.5% increase in the Pension Increase Rate	6%	56

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 August 2015 are represented by:			
Tangible fixed assets	-	3,760,742	3,760,742
Current assets	243,809	-	243,809
Creditors: amounts falling due within one year	(231,834)	-	(231,834)
Defined benefit pension liability	-	(230,000)	(230,000)
	<u>11,975</u>	<u>3,530,742</u>	<u>3,542,717</u>

18 Net cash inflow from operating activities

	2015	2014
	£	Restated £
Reconciliation to changes in resources		
Net income/(expenditure) for the reporting period	(56,601)	(111,281)
Investment income	(154)	(201)
Depreciation of tangible fixed assets	111,997	76,846
Difference between pension charge and cash contributions	22,000	16,000
Decrease/(increase) in debtors	19,438	(31,539)
Increase in creditors	88,075	115,940
	<u>184,755</u>	<u>65,765</u>

19 Analysis of net cash balances

	At 1 September 2014	Cash flow	Non-cash changes	At 31 August 2015
	£	£	£	£
Cash at bank and in hand	178,829	28,062	-	206,891
	<u>178,829</u>	<u>28,062</u>	<u>-</u>	<u>206,891</u>

BROUGHTON JEWISH CASSEL FOX (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

20 Members Liability

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

21 Related parties

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

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

The Academy receives income classified as voluntary donations from Broughton Jewish Cassel Fox Primary School (Charity) for shared costs, central services and utilities. The amount received during the year amounted to £252,279 (2014 : £174,605) and is recognised as restricted funds and restricted fixed asset funds. There was no balance outstanding at the year end.

Broughton Jewish Cassel Fox Primary School (Charity) previously managed the school.