

REGISTERED COMPANY NUMBER: 07864383 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014
FOR
SOUTH LONDON JEWISH PRIMARY SCHOOL**

KBSP Partners LLP
Chartered Accountants
Statutory Auditors
Harben House
Harben Parade
Finchley Road
LONDON
NW3 6LH

SOUTH LONDON JEWISH PRIMARY SCHOOL

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FOR THE YEAR ENDED 31 AUGUST 2014**

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SOUTH LONDON JEWISH PRIMARY SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2014**

TRUSTEES

K Baum (appointed 9.10.2013)
S D Bower
M E Cohen
M Cooper (appointed 20.11.2013)
J E Ish Horowicz
D M Kane
D Kelin
S Lee
N K Reiniger
E Rychin (resigned 9.10.2013)
V Williams (appointed 23.09.2014)

REGISTERED OFFICE

1 Queensmere Road
London
SW19 5QD

REGISTERED COMPANY NUMBER

07864383 (England and Wales)

AUDITORS

KBSP Partners LLP
Chartered Accountants
Statutory Auditors
Harben House
Harben Parade
Finchley Road
LONDON
NW3 6LH

BANKERS

HSBC Bank Plc,
5 Wimbledon Hill Road,
Wimbledon,
London,
SW19 7NF

SOUTH LONDON JEWISH PRIMARY SCHOOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2014

The Governors present their annual report together with the financial statements and auditor's report of the Academy Trust for the year ended 31 August 2014.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Academy Trust was incorporated on 29 November 2011 under the name South London Jewish Primary School. It operates under the name of Mosaic Jewish Primary School. The Academy Trust's memorandum and articles of association dated 31 August 2011 are the primary governing documents of the Academy Trust.

The Governors act as the trustees for the charitable activities of Mosaic Jewish Primary School and are also the directors of the Academy Trust for the purposes of company law. Details of the Governors who served during the year and who have been appointed since the year end are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the Academy Trust undertakes to contribute to the assets of the Academy Trust 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

Subject to the provisions of the Companies Act 2006, each Governor of the Academy Trust is indemnified against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

Principal activities

The Academy Trust's principal object and activity is to advance, for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

During the year, the Academy Trust established a school, known as Mosaic Jewish Primary School, for children aged between 4 and 11 years old at Queensmere Road in Wimbledon, SW19. The School opened to staff on 2 September 2013, with pupils beginning on 16 September 2013.

Method of recruitment and appointment or election of Governors

The Academy Trust was established by four proposers who presented a business case to the Secretary of State in order to establish a "Free School". The four proposers became the four founding directors and three members of the Academy Trust were appointed when it was established on 29 November 2011. Following a public consultation, a funding agreement with the Secretary of State was entered into on 1 June 2013. The Governors are appointed under the terms of the Academy Trust's articles of association as follows:

- Up to twelve Governors appointed by Members;
- Any staff Governors appointed by the Members but not exceeding one third of the total number of Governors;
- A minimum of 2 Governors elected by the parents of pupils of the School (such Governors being a parent of a pupil of the School at the time of election);
- The Head Teacher; and
- Associate governors

Governors' term of office is four years, save this does not apply to the Head Teacher whose term of office runs parallel with the contract of employment.

The Governors shall each school year, at their first meeting in that year, elect a chairman and a vice-chairman from among their number. A Governor who is employed by the Academy trust shall not be eligible for election as chairman or vice-chairman.

The Governors who were in office at the date of signing the Governors' report and the dates of their appointment during the year (if applicable) are listed on page 1.

Policies and procedures adopted for the induction and training of Governors

Induction was provided for all Governors through training and the provision of copies of policies, procedures, minutes and other documents that they will need to undertake their role as trustees and directors of the Academy Trust.

SOUTH LONDON JEWISH PRIMARY SCHOOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2014

A formal induction policy has been agreed by the Governing Body to ensure that all new Governors receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that all new Governors are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of Governors.

Organisational structure

The Academy Trust is responsible for establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Governors are responsible for setting the general policy and direction of the School, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets; managing senior staff appointments and undertaking Head Teacher performance management. Each Governor has a specific area/s of responsibility updated for 2014-15.

K Baum – Head Teacher and Accounting Officer

S D Bower – Lead for Premises as Part of Resources Committee – Temporary and New sites, Health and Safety

M E Cohen – Lead for Human Resources as part of Resources Committee, SEN

M Cooper – Parent governor - Children, Families and Communities committee, Web-site

J E Ish-Horowicz – Chair of Curriculum and Achievement Committee

D M Kane – Lead for Finance and Fundraising as part of Resources Committee

D Kelin – Vice Chair and Chair of Resources Committee, legal, IT

S Lee – Chair of Governors, Overall leadership and management, Curriculum and Achievement, HR and New site

N K Reiniger – Chair of Children, Families and Communities Committee, Publicity

Vicky Williams – Children Families and Communities, Behaviour and Safeguarding (Officially appointed September 2014)

Judy Thwaites – (Associate) Curriculum and Achievement – Jewish Education, Children, Families and Communities

The School Head Teacher is responsible for the day to day management of the School together with her leadership team.

The accounting year covers the first year of opening until 31 August 2014. The leadership team was after the year end expanded with the appointment of an Assistant Headteacher, who started employment in September 2014. The part-time School Business Manager became the full-time School Business Manager and the part-time administrator, who resigned, was replaced by a full-time administrator.

The Head Teacher meets regularly with the Chair of Governors to monitor the day to day activities and discuss longer term strategic planning. The School Business Manager meets with the Head teacher to discuss matters relating to the School's financial management and in respect of premises and personnel and reports to the Resources committee with the Headteacher at termly meetings. The Headteacher meets with the Chair of Resources regularly to discuss matters arising in this area. The Chair of resources and the lead on finance also meet with the business manager from time to time. The School Business Manager also meets with an external financial advisor who advises on financial matters.

Risk management

The major risks, to which the Academy Trust is exposed, as identified by the Governors, have been reviewed, and systems or procedures have been established to manage those risks. The main risks during the last year have been linked to the construction budget rising unacceptably and this had to be carefully managed until – with additional government support – a management budget was agreed. The concern was that the delay which these issues brought about might seriously affect the programme for opening on the new site in September 2015.

Connected organisations, including related party relationships

The Academy Trust leases a site in the grounds of the Wimbledon and District Synagogue. The Independent Jewish Day Schools Advisory Board is the religious authority to which the school is linked. The Governors are drawn from the local community and it is therefore inevitable that transactions will take place with organisations with which a member of the board of Governors has a connection. All transactions involving such organisations are at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. Details of all transactions occurring during the year are shown in the notes to the accounts.

Objectives and Activities

Objects and Aims

The Academy Trust has adopted a "Scheme of Government" (Funding Agreement) approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the School, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

SOUTH LONDON JEWISH PRIMARY SCHOOL

REPORT OF THE TRUSTEES - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

The principal objective of the Academy Trust is establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Mosaic Jewish Primary School was founded by members of the community for members of the community. It has a cross-communal Jewish ethos, celebrating the diversity of the Jewish tradition and has 50% of its places for those of other faiths, beliefs or none.

Objectives, strategies and activities

The main objectives of Academy Trust during the year ended 31 August 2014 are summarised below:

- Reach a design and budget agreement for the school's construction on the permanent site
- Recruit staff;
- Develop policies, plan and undertake risk assessments; and
- Manage pupil applications in spite of the delayed progress on agreement on the programme for the new school competition from other successful local schools.

The educational vision of the School has three key values that underpin the entire curriculum:

Inspiration - To inspire children to create their best possible journeys in life, with confidence in their own cultures, heritage and beliefs.

Respect - To develop self-respect and expand it within and across the Jewish community, British society and the wider world.

Excellence - To enable children to reach their full potential, emotionally, socially, academically and spiritually.

Public benefit

In setting objectives and planning activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit. The Governors believe that the Academy Trust's aims are demonstrably to the public benefit.

Achievements and Performance

The objectives above have been met. Pupil applications have included several new pupils in Year 1.

Financial Review

Income from the Education Funding Agency (EFA) totalled £384,478 (2013: £214,514) including capital and revenue grants. Voluntary donations and grants and other income totalled £61,863 (£3,517). EFA funding was used to fund the principal activities of the school. £32,993 of the voluntary donations was donated specifically to be used for equipment in the school's new premises which are due to open in September 2015. Expenditure was in line with expectations with the first full year of teaching and associated support staff and expenditure on rental and maintenance of the temporary premises.

Reserves policy

During the year under review almost all the funding was being received through grants or donations. At the year end reserves were held in liquid cash and fixed term deposits

Investment policy

The Academy Trust does not hold any investments at this time, reserves are currently held in the Schools' interest-bearing bank accounts.

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.

SOUTH LONDON JEWISH PRIMARY SCHOOL

**REPORT OF THE TRUSTEES - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

Plans for the future

The School opened to pupils in Reception in September 2013. The School will expand by one class per year for the next year and then by two forms from September 2015 for the following 7 years. A new building is being designed and built with an expected opening date of September 2015.

The Academy Trust continues to receive grants from Central Government to fund the educational activities of the Academy Trust and the development of the premises and other capital items. It also seeks donations from the community to support its work, whether through restricted or unrestricted donations. Parents are also encouraged to make voluntary donations to the Academy Trust to help fund its activities.

Auditors

KBSP Partners LLP were re-appointed as auditors under section 485 of the Companies Act 2006. KBSP Partners LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditors

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by order of the Board of Trustees at its meeting on 23 December 2014 and signed on its behalf by:

.....

J Ish-Horowicz - Trustee

.....

K Baum - Trustee

SOUTH LONDON JEWISH PRIMARY SCHOOL

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2014

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that South London Jewish 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 of loss.

The board of the 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 South London Jewish 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 Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
K Baum	5	5
S Lee	5	5
J E Ish Horowicz	5	5
D Kelin	4	5
N K Reiniger	4	5
D M Kane	4	5
S D Bower	5	5
M E Cohen	5	5

The Resources/Finance Committee is a sub-committee of the main board of trustees. Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
K Baum	4	4
S Lee	2	4
D Kelin	3	4
D M Kane	3	4
S D Bower	3	4
M E Cohen	2	4

The Curriculum and Achievement Committee is a sub-committee of the main board of trustees. Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
K Baum	3	3
S Lee	2	3
J E Ish Horowicz	3	3
M Cooper	1	3

The Children Families and Community Committee is a sub-committee of the main board of trustees. Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
K Baum	3	3
N K Reiniger	3	3
S Lee	2	3
J E Ish Horowicz	3	3
M Cooper	1	3

SOUTH LONDON JEWISH PRIMARY SCHOOL

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

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 charitable company 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 South London Jewish Primary School for the period 1 September 2013 to 31 August 2014 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 charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 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

Mosaic Jewish Primary School'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.

Review of Effectiveness

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year the review was informed by:

- The work of the Responsible Officer
- The work of the external auditors
- The financial management process

The Accounting Officer has been advised of any weaknesses in the system of internal control as they have arisen and plans to address any weaknesses and to ensure continuous improvement of the system have been implemented.

Approved by order of the members of the board of trustees on 23 December 2014 and signed on its behalf by:

.....
J E Ish-Horowicz - Trustee

.....
K Baum - Accounting Officer

SOUTH LONDON JEWISH PRIMARY SCHOOL

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2014**

As accounting officer of South London Jewish Primary School I have considered my responsibility to notify the charitable company board of trustees 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 charitable company 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 charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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 board of trustees and EFA.

.....
K Baum - Accounting Officer

Date: 23 December 2014

SOUTH LONDON JEWISH PRIMARY SCHOOL

**STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2014**

The trustees (who act as governors of South London Jewish Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/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 companies Website. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 23 December 2014 and signed on its behalf by:

.....
J E Ish-Horowicz - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH LONDON JEWISH PRIMARY SCHOOL

We have audited the financial statements of South London Jewish Primary School for the year ended 31 August 2014 on pages 13 to 30. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 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 Academies Accounts Direction 2013 to 2014 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH LONDON JEWISH PRIMARY SCHOOL**

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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

David Myerson FCA (Senior Statutory Auditor)
for and on behalf of KBSP Partners LLP
Chartered Accountants
Statutory Auditors
Harben House
Harben Parade
Finchley Road
LONDON
NW3 6LH

Date: 23 December 2014

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO
SOUTH LONDON JEWISH PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South London Jewish Primary during the period 1 September 2013 to 31 August 2014 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 South London Jewish Primary School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to South London Jewish Primary School 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 South London Jewish Primary School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of South London Jewish Primary School's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of South London Jewish Primary School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2013, 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 2013 to 2014. 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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the 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 matter 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusions includes:

- evaluation of internal control procedures
- Reviewing system checks undertaken by the responsible officer
- confirming with the accounting officer that the evidence to sign the regularity statement is in order
- obtaining representations from the Trustees and the accounting officer
- reviewing the expenditure disbursed and income received.

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 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

David Myerson FCA (Senior Statutory Auditor)
for and on behalf of KBSP Partners LLP
Chartered Accountants
Statutory Auditors
Harben House
Harben Parade
Finchley Road
LONDON
NW3 6LH

Date: 23 December 2014

SOUTH LONDON JEWISH PRIMARY SCHOOL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2014**

	Notes	Unrestricted fund £	Restricted funds £	year ended 31.8.14 Total funds £	period 1.12.12 to 31.8.13 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	28,868	32,995	61,863	3,517
Investment income	3	151	-	151	53
Incoming resources from charitable activities					
Funding for the academy trust's educational operations	4	-	<u>384,478</u>	<u>384,478</u>	<u>214,514</u>
Total incoming resources		29,019	417,473	446,492	218,084
RESOURCES EXPENDED					
Charitable activities					
Academy's educational operations		18,042	432,417	450,459	120,301
Governance costs	8	<u>1,600</u>	<u>11,055</u>	<u>12,655</u>	<u>8,290</u>
Total resources expended	5	19,642	443,472	463,114	128,591
NET INCOMING RESOURCES					
		9,377	(25,999)	(16,622)	89,493
Other recognised gains/losses					
Actuarial gains/losses on defined benefit schemes		-	<u>(3,000)</u>	<u>(3,000)</u>	-
Net movement in funds		9,377	(28,999)	(19,622)	89,493
RECONCILIATION OF FUNDS					
	21				
Total funds brought forward		5,718	215,952	221,670	132,177
TOTAL FUNDS CARRIED FORWARD		<u>15,095</u>	<u>186,953</u>	<u>202,048</u>	<u>221,670</u>

All incoming resources and resources expended arise from continuing activities. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

SOUTH LONDON JEWISH PRIMARY SCHOOL

**BALANCE SHEET
AT 31 AUGUST 2014**

		Total	2014 funds	Total	2013 funds
	Notes		£		£
FIXED ASSETS					
Tangible assets	12		91,097		29,152
CURRENT ASSETS					
Debtors	13		11,922		226,342
Cash at bank and in hand			<u>180,149</u>		<u>99,041</u>
			192,071		325,383
CREDITORS					
Amounts falling due within one year	14		(74,120)		(132,865)
			<u>117,951</u>		<u>192,518</u>
NET CURRENT ASSETS					
			209,048		221,670
TOTAL ASSETS LESS CURRENT LIABILITIES					
PENSION LIABILITY	22		(7,000)		-
			<u>202,048</u>		<u>221,670</u>
NET ASSETS					
FUNDS	21				
Unrestricted funds			15,095		5,718
Restricted Fixed asset fund			82,101		126,514
Restricted General funds			(9,877)		-
Restricted other funds			32,993		-
Restricted set up funds			<u>81,736</u>		<u>89,438</u>
TOTAL FUNDS			<u>202,048</u>		<u>221,670</u>

The financial statements were approved by the Board of Trustees on 23 December 2014 and were signed on its behalf by:

.....
J E Ish-Horowicz - Trustee

.....
K Baum - Trustee

The notes form part of these financial statements

SOUTH LONDON JEWISH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies: Accounts Direction 2013 to 2014 issued by the EFA and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

Going concern

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 Academy Trust to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Financial reporting standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable

Grants, including fixed asset grants, are included in the Statement of Financial Activities on a receivable basis. The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations

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

Interest receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable activities are costs incurred on the Academy Trust's educational operations.

Governance costs

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

SOUTH LONDON JEWISH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets costing £200 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

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.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 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.

Fund accounting

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the EFA and DfE.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the EFA, where the asset acquired or created is held for a specific purpose.

The following are restricted funds representing donations received to be used for specific items for the new school premises due to open in September 2015: Design and Technology fund and Playground Equipment fund.

The restricted Drama Therapy fund represents donations received to be used for drama therapy.

SOUTH LONDON JEWISH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES - continued

Pension 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 quinquennial valuations using a prospective benefit method. As stated in Note 22, 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 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.

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

2. VOLUNTARY INCOME

	Unrestricted funds - general	Restricted general funds	year ended 31.8.14	period 1.12.12 to 31.8.13
	£	£	£	£
Donations and grants	26,004	32,995	58,999	3,457
Voluntary income	2,864	-	2,864	60
	28,868	32,995	61,863	3,517
	28,868	32,995	61,863	3,517

3. INVESTMENT INCOME

			year ended 31.8.14	period 1.12.12 to 31.8.13
Deposit account interest			151	53
			151	53

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted general funds	Restricted fixed asset funds	year ended 31.8.14	period 1.12.12 to 31.8.13
	£	£	£	£
DfE/EFA REVENUE GRANTS				
Other DfE/EFA grants	339,059	-	339,059	88,000
DfE/EFA CAPITAL GRANTS				
EFA grants	-	45,419	45,419	126,514
	339,059	45,419	384,478	214,514
	339,059	45,419	384,478	214,514

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

5. RESOURCES EXPENDED

				year ended 31.8.14	period 1.12.12 to 31.8.13
	Staff costs £	Non-pay expenditure Premises £	Other costs £	Total £	Total £
Charitable activities					
Academies educational operations					
Direct costs	171,873	33,306	49,138	254,317	57,830
Allocated support costs	<u>66,987</u>	<u>41,382</u>	<u>87,773</u>	<u>196,142</u>	<u>62,471</u>
	238,860	74,688	136,911	450,459	120,301
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>12,655</u>	<u>12,655</u>	<u>8,920</u>
	<u><u>238,860</u></u>	<u><u>74,688</u></u>	<u><u>149,566</u></u>	<u><u>463,114</u></u>	<u><u>128,591</u></u>

6. Net resources are stated after charging/ (crediting):

			year ended 31.8.14	period 1.12.12 to 31.8.13
			£	£
Auditors' remuneration			4,500	3,500
Depreciation - owned assets			<u>41,857</u>	<u>128</u>

7. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES

				period 1.12.12 to 31.8.13
	Unrestricted funds - general	Restricted general fund	year ended 31.8.14	£
	£	£	£	£
Direct Costs				
Educational supplies	36	47,158	47,194	13,720
Staff development	1,330	615	1,945	747
Premises refurbishment	-	33,306	33,306	-
Teaching and educational support staff costs	2,201	169,672	171,873	43,363
	<u>3,567</u>	<u>250,751</u>	<u>254,318</u>	<u>57,830</u>
Support Costs				
Rent and rates	-	41,199	41,199	9,451
Depreciation	1,188	40,668	41,856	128
Recruitment and support	-	-	-	870
Technology costs	-	4,350	4,350	4,965
Marketing cost	-	-	-	8,613
Support staff costs	1,352	65,635	66,987	10,320
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

7. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES (continued)

	Unrestricted funds - general	Restricted general funds	year ended 31.8.14	period 1.12.12 to 31.8.13
Professional Fees	71	3,342	3,413	23,641
Repairs and maintenance	-	183	183	-
Insurance	-	5,713	5,713	101
Other support costs	11,864	20,575	32,439	4,382
	14,475	181,665	196,140	62,471
	18,042	432,417	450,459	120,301

8. GOVERNANCE COSTS

	year ended 31.8.14	period 1.12.12 to 31.8.13
	£	£
Auditors' remuneration	4,500	3,500
Auditors' remuneration for non-audit work	1,100	-
Legal costs	7,055	4,790
	12,655	8,290
	12,655	8,290

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration, apart from the Headteacher's remuneration (see note 10) or other benefits neither for the year ended 31 August 2014 nor for the period ended 31 August 2013.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2014 nor for the period ended 31 August 2013.

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

10. STAFF COSTS

	year ended 31.8.14	period 1.12.12 to 31.8.13
	£	£
Wages and salaries	186,900	34,562
Social security costs	12,466	3,477
Other pension costs	32,033	4,873
	<hr/>	<hr/>
Supply teacher costs	231,399	42,912
	7,462	-
	<hr/>	<hr/>
	238,861	42,912
	<hr/> <hr/>	<hr/> <hr/>

The average number of persons (including senior management team) employed by the charitable company during the year expressed as full time equivalents was as follows:

	year ended 31.8.14	period 1.12.12 to 31.8.13
	6	1
	<hr/> <hr/>	<hr/> <hr/>

One FTE's teacher emoluments fell within the band £60,001 - £70,000.

This employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, the pension contributions for this employee amounted to £9,432. Health insurance was also paid for this employee totalling £1,422.

11. TRUSTEES' AND OFFICERS' INSURANCE

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

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2013	18,970	10,310	29,280
Additions	<u>10,701</u>	<u>93,101</u>	<u>103,802</u>
At 31 August 2014	<u>29,671</u>	<u>103,411</u>	<u>133,082</u>
 DEPRECIATION			
At 1 September 2013	128	-	128
Charge for year	<u>7,386</u>	<u>34,471</u>	<u>41,857</u>
At 31 August 2014	<u>7,514</u>	<u>34,471</u>	<u>41,985</u>
 NET BOOK VALUE			
At 31 August 2014	<u>22,157</u>	<u>68,940</u>	<u>91,097</u>
At 31 August 2013	<u>18,842</u>	<u>10,310</u>	<u>29,152</u>

Only assets costing in excess of £200 are capitalised.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	543	2,502
Other debtors	<u>11,379</u>	<u>223,840</u>
	<u>11,922</u>	<u>226,342</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	14,541	126,783
Taxation and social security	4,129	-
Other creditors	<u>55,450</u>	<u>6,082</u>
	<u>74,120</u>	<u>132,865</u>

15. CAPITAL COMMITMENTS

There were no capital commitments at 31 August 2014. At 31 August 2013 the Academy Trust had capital commitments of £35,500 for the refurbishment of its current temporary building. The work was performed during the year ended 31 August 2014, and as the trustees intend to move the school to a new site, the cost was recognised as an expense in the Statement of Financial Activity rather than being capitalised.

18. POST BALANCE SHEET EVENTS

Subsequent to the year end the trustees signed an agreement with a contractor for the building of the new school site.

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

19. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2014	2013
	£	£
Expiring:		
Less than one year	37,500	-
Between one and five years	<u>-</u>	<u>37,500</u>

20. MEMBERS' LIABILITY

Each member of the Academy Trust undertakes to contribute up to £10 to the assets of the Academy Trust in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member.

21. MOVEMENT IN FUNDS

	At 1.9.13	Net movement in funds	At 31.8.14
	£	£	£
Unrestricted funds			
General fund	5,718	9,377	15,095
Restricted funds			
Restricted fixed asset funds	126,514	(44,413)	82,101
Restricted set up funds	89,438	(7,702)	81,736
Restricted design and technology fund	-	22,500	22,500
Restricted drama therapy fund	-	2,500	2,500
Restricted playground equipment fund	-	7,993	7,993
General restricted	-	(9,877)	(9,877)
	<u>215,952</u>	<u>(28,999)</u>	<u>186,953</u>
TOTAL FUNDS	<u>221,670</u>	<u>(19,622)</u>	<u>202,048</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	29,019	(19,642)	-	9,377
Restricted funds				
Restricted fixed asset funds	1	(44,414)	-	(44,413)
Restricted set up funds	1	(7,703)	-	(7,702)
Restricted design and technology fund	22,500	-	-	22,500
Restricted drama therapy fund	2,500	-	-	2,500
Restricted playground equipment fund	7,993	-	-	7,993
General restricted	<u>384,478</u>	<u>(391,355)</u>	<u>(3,000)</u>	<u>(9,877)</u>
	417,473	(443,472)	(3,000)	(28,999)
TOTAL FUNDS	<u>446,492</u>	<u>(463,114)</u>	<u>(3,000)</u>	<u>(19,622)</u>

SOUTH LONDON JEWISH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

22. PENSION AND SIMILAR OBLIGATIONS

During the period, the Academy Trust's employee belonged to one pension schemes: the Teachers' Pension Scheme England and Wales (TPS). This is a defined-benefit scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004.

Contributions amounting to £1,349 were payable to the schemes at 31 August 2014 and are included within creditors.

Teachers' pension scheme

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS. The aim of the reviews is to specify the level of future contributions. The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated

Liabilities of the Account for benefits to past and present teachers are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate changed to between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate were applied in 2013-14 and will be applied in 2014-15.

Local government pension scheme

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2014, is contracted out of the State Second Pension and currently provides benefits based on career average revalued salary and length of service on retirement.

SOUTH LONDON JEWISH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

Barnett Waddingham have undertaken pension expense calculations in respect of pension benefits provided by the LGPS to employees of the Academy Trust as at 31 August 2014. In completing their calculations they have used the following data and assumptions:

Membership Statistics

All members of the scheme became employees of the Academy Trust on or after 1 September 2013. Membership data as at 1 September 2014:

Member Data	Numbers	Salaries/pensions	Average age
Summary			
Actives	5	62,000	45
Deferred Pensioners	-	-	-
Pensioners	-	-	-

The service cost for the period ending 31 August 2014 is calculated using an estimate of the average total pensionable payroll during the period. The estimated average total pensionable payroll during the period was £72,000. The projected service cost for the year ending 31 August 2015 has been calculated assuming the payroll remains the same.

Early Retirements

There were no early retirements over the period.

Assets

The return on the fund (on a bid value basis) for the period to 31 August 2014 is estimated to be 9%. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on fund assets over the period may be different.

The estimated asset allocation for the Academy Trust as at 31 August 2014 is as follows:

Employer Asset Share	31 August 2014		1 September 2013	
	£000's	%	£000's	%
Equities	13	72	-	-
Gilts	1	9	-	-
Other bonds	3	16	-	-
Property	-	-	-	-
Cash	-	3	-	-
Total	17	100	-	-

Where necessary the bid values have been estimated. The final asset allocation of the fund assets as at 31 August 2014 is likely to be different from that shown due to estimation techniques.

Based on the above, the Academy Trust's share of the assets of the fund is less than 1%.

Unfunded benefits

There are currently no unfunded benefits in payment.

SOUTH LONDON JEWISH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2014

Actuarial Methods and Assumptions

To assess the value of the Academy Trust's liabilities as at 31 August 2014, the value of the Academy Trust's liabilities calculated for the New Academy Valuation as at 1 September 2013 have been rolled forward allowing for the different financial assumptions required under FRS 17.

The New Academy Valuation involved projecting future cashflows to be paid from the fund and placing a value on them. These cashflows include pensions currently being paid to members of the Scheme as well as pensions (and lump sums) that may be payable in future to members of the fund or their dependants. These pensions are linked to inflation and will normally be payable on retirement for the life of the member of a dependant following a member's death.

It is not possible to assess the accuracy of the estimated liability as at 31 August 2014 without completing a full valuation. However Barnett Waddingham are satisfied that the approach of rolling forward the previous valuation data to 31 August 2014 should not introduce any material distortions in the results provided that the actual experience of the Academy Trust and the fund have been broadly in line with the underlying assumptions and that the structure of the liabilities is substantially the same as at the latest formal valuation. There is no evidence that this approach is inappropriate.

To calculate the asset share the assets have been rolled forward allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from, the fund by and in respect of the Academy Trust and its employees.

Valuation Method

As required by FRS 17, the projected unit method of valuation has been used to calculate the service cost.

Demographic/Statistical Assumptions

The demographic assumptions adopted are consistent with those used for the New Academy Valuation as at 1 September 2013, which were also consistent with the last full funding valuation of the fund. The post retirement mortality tables adopted were the S1PA Heavy tables allowing for medium cohort projection, with a minimum 1% improvement and a 90% scaling factor.

The assumed life expectations on retirement age 65 are:

	At 31 August 2014
Retiring today	
Males	23.7
Females	25.1
Retiring in 20 years	
Males	25.8
Females	27.4

We have also made the following assumptions:

- Members will exchange half of their commutable pension for cash at retirement
- Members will retire at one retirement age for all tranches of benefit which will be the pension weighted average retirement age.
- No members will take up the option under the new LGPS to pay 50% of contributions for 50% of benefits.

SOUTH LONDON JEWISH PRIMARY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014**

Financial Assumptions

The financial assumptions used for the purposes of the FRS 17 calculations are as follows:

	31 August 2014		1 September 2013	
	%p.a.	Real %	%p.a.	Real %
RPI increases	3.5	-	3.7	0
CPI increases	2.7	-0.8	2.9	-0.8
Salary increases	4.5	1	4.7	1.0
Pension increases	2.7	-0.8	2.9	-0.8
Discount rate	4.0	0.5	4.7	1.0

These assumptions are set with reference to market conditions at 31 August 2014. The estimate of

The estimate of the duration of the Academy Trust's liabilities is 25 years.

The discount rate is the annualised yield at the 25 year point on the Merrill Lynch AA rated corporate bond curve which has been chosen to meet the requirements of FRS17 and with consideration of the duration of the Employer's liabilities.

The RPI increase assumption is set based on the difference between conventional gilt yields and index-linked gilt yields at the accounting date using data published by the Bank of England, specifically the 25 year point on the BoE spot inflation curve.

This measure has historically overestimated future increases in the RPI and so, in the past, we have made a deduction of 0.25% to get the RPI assumption. However, the evidence for this in more recent periods is weaker and so we have made no such deduction at 31 August 2014. The RPI assumption is therefore 3.5%. As future pension increases are expected to be based on CPI rather than RPI, we have made a further assumption about CPI which is that it will be 0.8% below RPI i.e. 2.7%. We believe that this is a reasonable estimate for the future differences in the indices, based on the different calculation methods.

Salary increases are then assumed to be 1.8% above RPI in addition to a promotional scale.

Expected Return on assets

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2014 for the period to 31 August 2015).

The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields. The following expected returns were adopted:

Asset class	Expected Return at:	
	1 September 2014	1 September 2013
	%	%
Equities	6	6.5
Gilts	3	3.7
Other bonds	3.6	4.2
Property	5.9	6.1
Cash	2.9	3.5
Total	5.3	6

SOUTH LONDON JEWISH PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

Past service costs/gains

Past service costs can arise when an employer awards additional discretionary benefits such as added years and other forms of augmentation of benefits. A change to benefits may result in either a past service cost or a past service gain.

No additional benefits were granted over the period ended 31 August 2014.

Curtailments

The cost of curtailments arising as a result of the payment of unreduced pensions on early retirement has been calculated. The Academy Trust may also have to account for non-pension related costs (e.g. lump sum payments on redundancy) but for the avoidance of doubt, we have only calculated the cost of curtailments which affect the Academy Trust's LGPS pension liabilities.

The cost of curtailments is calculated at the point of exit, with interest applied to the accounting date accounted for separately.

Over the period, no employees were permitted by the Academy Trust to take unreduced early retirement that they would not otherwise have been entitled to.

Settlements

We are not aware of any liabilities being settled at a cost materially different to the FRS17 reserve during the period.

Contributions and contribution rates

The total contribution made for the year ended 31 August 2014 was £17,648, of which employer's contributions totalled £13,267 and employees' contributions totalled £4,381. The agreed contribution rates for future years are 24.8 per cent for employers and between 5.5 and 7.5 per cent for employees.

Balance sheet liability

	31 August 2014	1 September 2013
	£000's	£000's
Present value of funded obligation	24	-
Fair value of scheme assets (bid value)	17	-
Net liability	7	-
Present value of unfunded obligation	-	-
Unrecognised past service cost	-	-
Net Liability in the balance sheet	7	-

SOUTH LONDON JEWISH PRIMARY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

Recognition in the statement of Financial Activity

The amounts recognised in the statement of financial activity are:

	31 August 2014 £000's
Current Service cost	17
Actuarial losses	3
Contributions by scheme participants	4
Closing defined benefit obligations	24

Reconciliation of opening and closing balances of the fair value of scheme assets

	31 August 2014 £000's
Opening value	-
Actuarial gains	1
Contributions by employer included unfunded	12
Contributions by scheme participants	4
Fair value of fund assets at end of period	17

Reconciliation of opening and closing surplus

	2014 £000's
Surplus at the beginning of the year	-
Current service cost	(17)
Contributions by employer	12
Other finance income	-
Actuarial gains (losses)	(2)
Surplus/(Deficit) at the end of the year	(7)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

Sensitivity Analysis

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation (in £000's) and the projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption.

Adjustment to discount rate	<u>+0.1%</u>	<u>0.0%</u>	<u>-0.1%</u>
Present value of total obligation	23	24	25
Projected service cost	19	19	19
Adjustment to mortality age rating	<u>+1 year</u>	<u>None</u>	<u>-1 ye</u>
Present value of total obligation	23	24	25
Projected service cost	18	19	20

Amounts for current and previous periods

	31 August 2014 £000's	1 September 2013 £000's
Defined benefit obligation	(24)	-
Scheme assets	17	-
Deficit	(7)	-
Experience adjustments on scheme assets	1	-
Percentage of assets	5.9%	-
Cumulative actuarial gains and losses	(2)	-

Statement of recognised gains and losses

2014

	£000's
Actual return less expected return on pension scheme assets	1
Changes in assumptions underlying the present value of the scheme	(3)
Actuarial gains/losses in fund	(2)
Actuarial gains/(losses) in pension scheme and recognised in STRGL	(2)

23. Related parties

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from the local community and local public and private sector organisations, it is inevitable the transactions will take place with organisations in which a member of the board may have an interest. All transactions involving such organisations are conducted at Arm's length and in accordance with the Academy Trusts financial regulations and normal procurement procedures.