
HASMONEAN HIGH SCHOOL

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

H Glyn (resigned 28 September 2017)
D Green
The JSSM Trustees (Corporate Member)
M Meyer
D Lyons

Trustees

A McClusky, Executive Headteacher¹
M Meyer, Chair of Governors
J Benjamin, Foundation Governor
A Bloom, Foundation Governor¹
S Blumgart, Foundation Governor¹
M Cohen, Foundation Governor
J Cohen, Staff Governor
J Dewinter, Foundation Governor
A Kalley, Staff Governor
M Klajman, Foundation Governor
J Feinmesser, Foundation Governor
L Finkelstein, Staff Governor
J Halberstadt, Foundation Governor
A Levey, Foundation Governor
R Nevies, Parent Governor
B Shooter, Foundation Governor
G Swabel, Parent Governor (appointed 1 September 2017)
M Zeltser, Foundation Governor

¹ Member of Finance and Premises Committee

Company registered number

7706488

Company name

Hasmonean High School

Principal and registered office

Holders Hill Road, London, United Kingdom, NW4 1NA

Executive Leadership Team

A McClusky, Executive Headteacher
R Fink, Head of Girls' School (resigned 25 May 2018)
D Lebrecht, Head of Boys' School (currently acting Head of Girls' School)
J Golker, Director of Kodesh (Jewish Studies)
I Stewart, Head of Finance and Premises
L Oskis, Head of Operations

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Bankers

Barclays Bank PLC, 126 Station Road, Edgware, London, HA8 7RY

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

HASMONEAN HIGH SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Barnet and further afield. It has over 1,100 students on roll.

Structure, governance and management

CONSTITUTION

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The trustees of Hasmonean High School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Hasmonean High School.

Details of the trustees who served during the year are included in the reference and administrative details on page 1.

MEMBERS' LIABILITY

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

According to the school's Articles of Association*, the management of the academy is the responsibility of the governors. They are elected as follows:

- Up to 15 Foundation Governors appointed under Article 50 and in any event as many Foundation Governors as is required to secure that at all times the number of Foundation Governors exceeds the number of all the other governors by at least 2
- Not less than 1 and up to 3 Staff Governors, if appointed under Article 50A
- Not less than 2 Parent Governors appointed under Articles 53 58;
- the Principal (Executive Headteacher);
- any Additional Governors, if appointed under Article 62, 62A or SSA; and
- any Further Governors, if appointed under Article 63 or Article SSA:

** The Articles of Association can be found in the policies section of the school website.*

The term of office for any governor is 4 years. The Executive Headteacher's term of office runs parallel with his/her term of appointment. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re elected. A Staff Governor shall only hold office for so long as s/he continues to be employed as a teacher or member of support staff as the case may be. Further details can be found in the Articles of Association and Funding Agreement in the policies section of the school's website.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

During the period under review, the governors held 4 Full Governing Body meetings. In addition there were regular meetings covering finance and premises, fundraising, standards, admissions, Jewish studies and personnel.

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TRUSTEES' REPORT (continued)
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The training and induction provided for new governors will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All governors are invited to undertake learning walks. All governors have access to copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

The Executive Headteacher is directly responsible for the day to day running of the academy and is assisted by an Executive and Senior Leadership Team. Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and the appointment of members of the Executive Leadership Team. The Executive Headteacher assumes the Accounting Officer role.

ORGANISATIONAL STRUCTURE

The academy has established a management structure to enable its efficient running. The structure consists of two levels: The Governors and the Executive Leadership Team.

The governing body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body committee structure and membership for 2017/18 was as follows:

Members of Hasmonian High School:

- H. P. Glyn (also a Governor and a Trustee of the HHS Charitable Trust - resigned 28 September 2017)
- D. Green (also Trustee of JSSM)
- D. Lyons (also Trustee of the JSSM)
- M. Meyer (also Chair of Governors)
- Trustees of the JSSM (Corporate member)

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The current Executive Headteacher's pay was originally set as a result of the Chair of Governors and governing body seeking external advice from a global executive search and advisory firm who specialise in education. It comprises an annual salary and a bonus. The payment of the latter is dependent upon the Executive Headteacher meeting performance management objectives. The extent to which these objectives are met is judged by the Chair of Governors and the bonus has to be approved by the Governing Body Pay Committee.

The salary of the Executive Leadership Team is determined by the Executive Headteacher. Any member of the Executive or Senior Leadership Team whose pay is recommended to rise by more than one point on the payscale must have his or her salary approved by the Governing Body Pay Committee.

RELATED PARTIES AND OTHER CONNECTED PARTIES AND CONNECTED CHARITIES AND ORGANISATIONS

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

The school operates, rent free, from premises owned by The Jewish Secondary Schools Movement, a related charity.

During the year the school received donations of £3,749,480 from the Hasmonian High School Charitable Trust, a related charity (2017: £4,339,461).

Related Party Transaction Rationale regarding Hasmonian's contract with The PR Office: the school wished to

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

engage the services of a PR company, and requested quotations from three companies. The reason for signing a contract with The PR Office over either Livewire or Communications Management to handle Hasmonian's PR is explained below.

The PR Office has extensive knowledge of running PR campaigns for the North London Jewish community, and particularly for Jewish secondary schools. Neither of the other agencies has such an in depth understanding of the Jewish community or the Jewish press. Our student uptake is dependent upon the Jewish Community's perception of Hasmonian and the profile of the school in the Jewish press. The quotation from The PR Office is the joint lowest hourly rate; the other agency which has the joint lowest rate does not have the same experience in these areas. For these reasons, The PR Office's quotation is judged to be the best value for money.

As Staff Governor Jon Cohen is the brother of Shimon Cohen, The PR Office's proprietor, Jon Cohen has not taken part in any decisions relating to the appointment of The PR Office, nor will he take part in any decisions relating to it going forward. He will declare such interests at governing body meetings, and has declared his connection on the Register of Interests.

We have had a statement of assurance from The PR Office that they will be working at cost, as can be seen from the quotation which they submitted to us (submitted to the school's external auditor).

Copies of the quotations from all three PR companies and a copy of the 'At Cost' contract/statement of assurance with The PR Office have been supplied to the school's external auditor.

No transactions took place with the PR office in 2017-2018.

Mrs Jacqueline Benjamin became a governor of Hasmonian High School on 4th April 2017. Mrs Benjamin is a director of Xexec, a company which offers to employees of various companies discounts on a variety of goods and services from over 3,000 providers. Prior to Mrs Benjamin becoming a governor of the school Xexec allowed the school's staff to benefit from this opportunity and the company continues to provide this opportunity to its staff. Neither the school nor its employees pay to have access to this scheme: it is provided entirely free-of-charge by Xexec.

TRUSTEES' INDEMNITIES

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment 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.

TRADE UNION FACILITY TIME

The academy has 4 full-time equivalent employees who operated as relevant union officials during the relevant period. All trade union work occurred outside of 'office hours' and therefore 0% of time and pay bill was incurred during the period.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Objectives and Activities

OBJECTS AND AIMS

Hasmonean High School is a centre of educational excellence serving the Orthodox Jewish Community of North West London.

All students, staff and parents are aware of Hasmonean's great purpose: to nurture students to become committed to, and ready to live, a life of Torah im Derech Eretz (to be successful in the wider world without compromising the attitudes and values enshrined in the Torah). This ethos has been at the heart of the school since its inception, when it arose out of the ashes of the Holocaust to provide those who fled from it with a future; it is this ethos which enables our students to become successful, responsible contributors to modern day Britain.

Hasmonean's values go above and beyond academic achievement. We expect teachers to deliver a first rate religious education, outstanding secular studies and a broad and enriched curriculum which promotes values such as chesed (caring/kindness) and tzedokah (supporting charities). The vast majority of our graduates go on to study in world class yeshivas and seminaries, before pursuing university education and a wide variety of careers, and all students are well prepared for their future lives.

Students are taught to love and cherish their religion and culture, to explore its rich depths and to be enriched by them; and that living an ethical life is a privilege rather than a burden. They are also taught to respect people of other faiths (or no faith), those who come from different cultures and those who choose to lead different lifestyles.

We ensure that students are supported, regardless of their economic background or academic ability, to make excellent progress and to enjoy their spiritual, personal and academic journey. We aim to maximise each student's potential within a caring, disciplined and ordered environment; in return, all students are obliged to respect and support the school's values, to act as role models to other students, to try their best and to act with a kind heart. Hasmonean High School is among the best performing comprehensive schools in the country: our students attain consistently high standards in their GCSE, AS and A Level examinations.

ACTIVITIES FOR ACHIEVING OBJECTIVES

Self-evaluation and planning documents reflect the school's overarching aims and ethos.

The overarching aims, agreed between the Executive Leadership Team and the Full Governing Body are:

1. Inspirational Kodesh
2. First rate secular education
3. No child left behind
4. Budget management and fundraising

Progress towards the above aims are reported on by the Executive Headteacher at termly Full Governing Body meetings.

The School Development Plan sets out the main activities for achieving the above aims and for ensuring that the school maintains its position as an 'Outstanding' School and improves its provision. The plan is split into the following areas:

- Safeguarding and Child Protection
- Jewish Studies
- Outcomes for Pupils; Quality of Teaching, Learning and Assessment
- Quality of Teaching, Learning and Assessment
- Being an 'Outward Facing School': Sharing Best Practice with Other Schools; Spiritual Moral, Social Cultural (SMSC) Development; Promoting British Values
- Quality of Personal Development, Behaviour and Welfare

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

- Human Resources
- Finance and Fundraising

A member of the Executive and Senior Leadership Teams takes responsibility for each area, and a governor is appointed to offer challenge and support to each member regarding that area. Objectives from the School Development Plan are supported by Subject Development Plans and appraisal objectives for all teaching staff so that the school's overarching aims are cascaded throughout the school.

All aims and objectives are reviewed in the autumn term of each academic year. This review informs the overarching aims and School Development Plan for the year ahead.

PUBLIC BENEFIT

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising tens of thousands of pounds each year for local, national and international charities
- Providing events for parents such as Internet Safety Training and parenting classes
- 6th formers supporting vulnerable members of the local community e.g. old people's homes and a special educational needs school.
- Sharing best practice and offering support to other schools
- Giving parents advice on how to support the mental health and well-being of their children

The governors are satisfied that the academy has complied with its requirement for the public benefit of secondary education with a designated Jewish religious character offering a broad and balanced curriculum conducted as an Orthodox Jewish school in accordance with the doctrine and principles of the Orthodox Jewish faith as laid down in the Shulchan Aruch, both generally and in particular in relation to arranging for religious education and daily acts of worship.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Key Performance Indicators

ACCOLADES

Hasmonean High School was ranked as one of the top non-selective comprehensive by The Times for its summer GCSE results in 2017-2018 (for the seventh year in a row).

A number of cabinet members have endorsed the school in recent years:

- In 2017 Chancellor of the Exchequer Philip Hammond described the school as, "A truly remarkable institution with a proud history of academic excellence and religious education, instilling in its pupils the values of integrity, decency, kindness and fairness."
- In 2016 Nicky Morgan, then Secretary of State for Education and Minister for women and Equalities, said Hasmonean was "a special place for young people to learn and its success speaks for itself as a top-performing school with a glowing Ofsted report, outstanding in all areas."
- In 2015 Theresa May, then Home Secretary, endorsed the school.
- In 2012 Michael Gove, then Secretary of State for Education, said 'The fact that a socially comprehensive school like Hasmonean can be so successful shows the importance of ethos, values and a belief in social justice.'
- In addition, the school regularly receives congratulatory letters from the Minister of State for Schools and from the SSAT regarding the progress and attainment of its pupils
- The school was judged 'Outstanding' in all areas by both Ofsted and Pikuach in November 2012. It was judged to be 'Outstanding' again by Pikuach in November 2017.

Exam Results Summer 2018

GCSE

- 54% of the grades were 9, 8, 7, A or A* grades
- Over a 29% of students gained 8 or more grades at A and 7 or above
- 89% of students gained 5 A*-C or 9 - 4 grades (81% including English and Maths)
- The highest achieving student at GCSE achieved eight 9 grades two A* grades and one A grade

	All	SEN
GRADE A* and A and 9 - 7	54%	39%
GRADE A* - C and 9 - 4	92%	77%
GRADES A* - G and 9 - 1	99.9%	99.1%
STUDENTS 5 A* to C and 9 - 4 (percentage of pupils)	89%	65%
STUDENTS 5 A* - C & 9 - 4 Maths & English (percentage of pupils)	81%	47%
STUDENTS 5 A* to G and 9 - 1 % (percentage of pupils)	95%	76%
ATTAINMENT 8	6.2	4.4
TOTAL NO. OF CANDIDATES -	162	17

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From SSAT website:

Progress 8 score: well above average 0.92

Entering EBacc

	School	Barnet (local authority)	England all schools
Entering EBacc	53%	60.9%	35.1%

Staying in education or entering employment

	School	Barnet (local authority)	England all state schools
Staying in education or entering employment	94%	95%	94%

Grade 5 or above in English & maths GCSEs

	School	Barnet (local authority)	England all schools
Grade 5 or above in English & maths GCSEs	71%	60.6%	39.9%

	School	Barnet (local authority)	England all schools
Attainment 8 score	60.8	55.9	44.3

	School	Barnet (local authority)	England all schools
EBacc average point score	5.75	5.18	3.83

A Level

- 44% of all grades A*/A
- 86% of all grades were A*-C
- The highest performing student achieved 4 A* grades
- Fully comprehensive sixth form – i.e. we do not turn pupils away because they do not have B grades

	All
GRADE A and A*	44%
GRADE A	27%
GRADES A* - C	86%
PASS	99%
AVERAGE UCAS POINTS SCORE PER CANDIDATE (Inc. AS results) =	119.0
TOTAL NO. OF CANDIDATES -	123
AVERAGE POINTS PER SUBJECT	40.2

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TRUSTEES' REPORT (continued)
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From SSAT website:

Progress score: Average 0

Average result

	Average result	Points
School / college	B	39.73
Barnet state-funded schools / colleges	B-	35.35
England all schools schools / colleges	C+	32.39

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

KEY FINANCIAL PERFORMANCE INDICATORS

During the period, ESFA/LA income grants received totalled to £6,457,470. Other income included within restricted funds totalled to £6,950. Restricted fund expenditure totalled to £10,452,847.

The main source of unrestricted income is donations, totalling to £3,802,764. Fundraising activities during the period included a fundraising dinner and a fundraising brochure.

Most of the academy's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

The academy will be reducing its cost base in order to balance its budget going forward. While it has always relied on additional income streams such as voluntary contributions and fundraising to balance its budget in previous years, the fall in government income per pupil together with the rise in pension contributions and national insurance contributions, and only partially funded national pay awards for staff, has meant that the gap between government income and expenditure has increased. A comprehensive plan to reduce costs is currently being agreed with governors to reduce Hasmonean's cost base.

The governors through the Finance Committee and Executive Headteacher receive financial progress reports throughout the year and compare against budgets submitted to the Education & Skills Funding Agency. The Finance Committee also review longer term financial models to plan and organise resources most effectively to fulfil the aims of the academy.

GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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 Accounting Policies.

PRINCIPAL RISKS AND UNCERTAINTIES

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

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TRUSTEES' REPORT (continued)
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The governors have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. with regard to safeguarding and safer recruitment procedures,) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the governance statement and financial policies.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the reserves policy below for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2018.

RESERVES POLICY

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use.

'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the academy and is to be spent at the trustees' discretion in furtherance of any of the academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each governing body meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in objectives and activities above, whilst in keeping with the principal object of the academy.

Total reserves at the end of the period amounted to a deficit of £1,689,148. This balance includes unrestricted income funds (free reserves) of £78,879 which is considered appropriate for the academy, and restricted income funds deficit of £365,760.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund liability totalling to £1,691,000. This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the academy in the form of an increase or decrease in employers' pension contributions over a period of years. The academy thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased

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pension contributions should generally be met from the academy's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the academy due to the recognition of the deficit.

MATERIAL INVESTMENTS POLICY

At 31 August 2018, no investments were held.

FUNDRAISING

The academy engages in fundraising throughout the academic year, both for specific projects and to augment the annual education budget. The main fundraising event is the annual dinner (and accompanying brochure) but other fundraising activities also take place, for example business breakfasts in recent years.

FUTURE DEVELOPMENTS

Structural Developments

- Hasmonean High School is currently a mixed non-selective faith academy in which the sexes are taught separately on two sites.
- We intend to de amalgamate the single school into two separate single sex academies within a Multi-Academy Trust to ensure that the two schools fit into an educational structure which reflects the nature of their operations.
- The school has submitted 'a significant change application' to the ESFA and has received notification that it has been approved. The school's lawyers are now preparing the legal documents required for the de-amalgamation.

A New Home for Hasmonean

- A Building Committee comprised of the Executive Headteacher, trustees of the JSSM and community members meets to plan for the building of two separate schools co-located on a site which includes and is adjacent to the current girls' school.
- The boys' campus (located on Holders Hill Road, Hendon) was originally intended for 350 students. It currently accommodates over 600. The existing boys' school buildings are in a poor building condition, with no room for expansion. The girls' school buildings require significant modernisation and both the boys' and girls' campuses have insufficient recreational space.
- Hasmonean High School's aim is to modernise its teaching spaces and facilities, and provide sufficient outdoor play space. The new school will also be able to provide an additional 2 form entry (which it has discussed with Barnet Council) to help meet increasing demand for school places locally.
- The planning application was approved by Barnet Council in February 2017 but the Mayor of London then asked for the school to submit alternative plans which minimise the impact on the green belt.
- New amended plans are currently being finalised and will be submitted to Barnet in due course.

FUNDS HELD AS CUSTODIAN

The academy did not act as custodian trustee during the current or previous period.

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DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report, incorporating a strategic report, was approved by order of the board of trustees as the company directors, on 12 December 2018 and signed on its behalf by:


M Meyer
Chair of Governors


A McClusky
Executive Headteacher

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GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 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
A McClusky, Executive Headteacher	4	4
M Meyer, Chair of Governors	3	4
J Benjamin, Foundation Governor	3	4
A Bloom, Foundation Governor	2	4
S Blumgart, Foundation Governor	3	4
M Cohen, Foundation Governor	3	4
J Cohen, Staff Governor	1	4
J Dewinter, Foundation Governor	3	4
A Kalley, Staff Governor	3	4
M Klajman, Foundation Governor	4	4
J Feinmesser, Foundation Governor	3	4
L Finkelstein, Staff Governor	4	4
J Halberstadt, Foundation Governor	3	4
A Levey, Foundation Governor	3	4
R Nevies, Parent Governor	3	4
B Shooter, Foundation Governor	3	4
G Swabel, Parent Governor	3	4
M Zeltser, Foundation Governor	3	4

Governors typically also serve on a number of other sub-committees, as set out on the school website.

The impact of each Governing Body Committee is reviewed and monitored through the report that each committee reviews on a termly basis. A group of governors and the Executive Headteacher undertake a self-evaluation review of governance on an annual basis.

Action points from the governance self-evaluation of 2017-2018 can be found on the school website: <http://www.hasmonian.co.uk/wordpress3025409/wp-content/uploads/2018/06/Effective-Governance.pdf>

The Finance and Premises Committee is a sub-committee of the main board of trustees. Its purpose is to make sure that the academy is following the ESFA's financial regulations.

No significant issues to note were dealt with during the period.

The Audit Committee is a subcommittee of the Finance and Premises Committee. Its purpose is to:

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

- monitor the integrity of the financial statements;
- review internal financial controls and review the Academy's internal control and risk management systems;
- make recommendations to the Governing Body in relation to the appointment, re appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor;
- review the auditor's independence and objectivity and
- ensure the responsible officer's action points are implemented.

No significant issues to note were dealt with during the period.

Review of Value for Money

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

The Accounting Officer considers how the academy'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 appropriate. The Accounting Officer for the academy has delivered improved value for money in the following ways:

- The Fundraising Committee raises significant sums to enable the school to maintain its high standards and mitigate the impact on the school of the reduction in government per pupil funding. As a consequence, Hasmonian High School continues to be one of the best performing non-selective comprehensive schools in the country according to The Times for its GCSE results.
- The finance department was re-structured during the period to enable a new structure to be implemented that will create extra capacity to maximise income and reduce costs.
- Utilities contracts were re-negotiated to enable costs to be kept to a minimum in future years.
- New software is enabling the school to very closely monitor staffing and curriculum costs on a monthly basis to ensure the school works within its budget.
- The school continues to minimize the use of external agencies to deliver education in order to reduce its cost base.
- The school intends to reduce its cost base over the coming year by reviewing:
 - The number of subjects it delivers at GCSE and A Level
 - All extra-curricular provision
 - The number of lessons allocated to each teacher
 - Class sizes throughout the school
 - All contracts and subscriptions

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 ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Hasmonian High School for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy 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 ongoing process for identifying, evaluating and managing the academy's

GOVERNANCE STATEMENT (continued)

significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance committee and the accounting officer 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 board of trustees has considered the need for a specific internal audit function and has decided to appoint Centre for Education & finance Management Ltd (CEFM) as internal auditor.

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

- testing of payroll systems;
- testing of purchase systems
- testing of income; and
- testing of accounting systems

On a quarterly basis, the auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

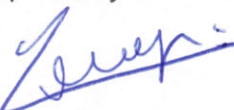
Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the financial committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12 December 2018 and signed on their behalf, by:



M Meyer
Chair of Governors



A McClusky
Accounting Officer

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Hasmonian High School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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 ESFA.



A McClusky
Accounting Officer

Date: 12 December 2018

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2018 and signed on its behalf by:



M Meyer
Chair of Governors



A McClusky
Executive Headteacher

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HASMONEAN HIGH SCHOOL**

Opinion

We have audited the financial statements of Hasmonean High School (the 'academy') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HASMONEAN HIGH SCHOOL**

doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HASMONEAN HIGH SCHOOL**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

Michael Durst (Senior Statutory Auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
12 December 2018

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
HASMONEAN HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 6 April 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hasmonean High School during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Hasmonean High School's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Hasmonean High School's funding agreement with the Secretary of State for Education dated 1 October 2012, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
HASMONEAN HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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 year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

12 December 2018

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations and capital grants	2	3,802,764	-	24,863	3,827,627	4,392,581
Charitable activities	3	-	6,457,470	-	6,457,470	6,204,541
Other trading activities	4	241,569	6,950	-	248,519	276,729
Investments	5	10	-	-	10	-
Total income		4,044,343	6,464,420	24,863	10,533,626	10,873,851
Expenditure on:						
Charitable activities		294,835	10,452,847	151,704	10,899,386	11,146,608
Total expenditure	8	294,835	10,452,847	151,704	10,899,386	11,146,608
Net income / (expenditure) before transfers		3,749,508	(3,988,427)	(126,841)	(365,760)	(272,757)
Transfers between Funds	18	(3,785,492)	3,671,981	113,511	-	-
Net expenditure before other recognised gains and losses		(35,984)	(316,446)	(13,330)	(365,760)	(272,757)
Actuarial gains on defined benefit pension schemes	22	-	325,000	-	325,000	860,000
Net movement in funds		(35,984)	8,554	(13,330)	(40,760)	587,243
Reconciliation of funds:						
Total funds brought forward		114,863	(2,065,314)	302,063	(1,648,388)	(2,235,631)
Total funds carried forward		78,879	(2,056,760)	288,733	(1,689,148)	(1,648,388)

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 7706488

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	15		288,733		302,063
Current assets					
Debtors	16	1,411,494		1,172,773	
Cash at bank and in hand		440,285		201,325	
		<u>1,851,779</u>		<u>1,374,098</u>	
Creditors: amounts falling due within one year	17	(2,138,660)		(1,519,549)	
Net current liabilities			(286,881)		(145,451)
Total assets less current liabilities			1,852		156,612
Defined benefit pension scheme liability	22	(1,691,000)			(1,805,000)
Net liabilities including pension scheme liabilities			<u>(1,689,148)</u>		<u>(1,648,388)</u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	18	(365,760)		(260,314)	
Restricted fixed asset funds	18	288,733		302,063	
Restricted income funds excluding pension liability		<u>(77,027)</u>		<u>41,749</u>	
Pension reserve		(1,691,000)		(1,805,000)	
Total restricted income funds			(1,768,027)		(1,763,251)
Unrestricted income funds	18		78,879		114,863
Total deficit			<u>(1,689,148)</u>		<u>(1,648,388)</u>

The financial statements on pages 25 to 47 were approved by the Trustees, and authorised for issue, on 12 December 2018 and are signed on their behalf, by:

M Meyer
Chair of Governors

A McClusky
Executive Headteacher

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	20	<u>352,471</u>	<u>22,537</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(138,374)	(105,412)
Capital grants from DfE Group		<u>24,863</u>	<u>23,868</u>
Net cash used in investing activities		<u>(113,511)</u>	<u>(81,544)</u>
Change in cash and cash equivalents in the year		238,960	(59,007)
Cash and cash equivalents brought forward		<u>201,325</u>	<u>260,332</u>
Cash and cash equivalents carried forward	21	<u><u>440,285</u></u>	<u><u>201,325</u></u>

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hasmonean High School constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. Accounting Policies (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account 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 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.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account 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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities incorporating Income and Expenditure Account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. Accounting Policies (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Building Improvements	-	20% reducing balance
Furniture and fixtures	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	33% straight line

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

HASMONEAN HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. Accounting Policies (continued)

1.8 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.10 Taxation

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

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 22, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. Accounting Policies (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2018 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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2. Income from donations and capital grants

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	3,802,764	-	-	3,802,764	4,368,713
Capital Grants	-	-	24,863	24,863	23,868
	<u>3,802,764</u>	<u>-</u>	<u>24,863</u>	<u>3,827,627</u>	<u>4,392,581</u>
<i>Total 2017</i>	<u>4,368,713</u>	<u>-</u>	<u>23,868</u>	<u>4,392,581</u>	

3. Funding for Academy's educational operations

Hasmonean High School

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	5,911,776	5,911,776	5,706,006
Pupil Premium	-	80,045	80,045	92,461
	<u>-</u>	<u>5,991,821</u>	<u>5,991,821</u>	<u>5,798,467</u>
Other government grants				
LA income - EYSF	-	187,810	187,810	126,730
LA income - SEN	-	251,966	251,966	226,365
	<u>-</u>	<u>439,776</u>	<u>439,776</u>	<u>353,095</u>
Other funding				
Insurance	-	-	-	24,470
Other income	-	25,873	25,873	28,509
	<u>-</u>	<u>25,873</u>	<u>25,873</u>	<u>52,979</u>
	<u>-</u>	<u>6,457,470</u>	<u>6,457,470</u>	<u>6,204,541</u>
<i>Total 2017</i>	<u>-</u>	<u>6,204,541</u>	<u>6,204,541</u>	

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4. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Catering Income	181,636	-	181,636	185,511
Lettings	55,579	-	55,579	57,745
Trips	-	4,964	4,964	280
Other Income	-	1,986	1,986	7,434
Nursery Fees	4,354	-	4,354	25,759
	<u>241,569</u>	<u>6,950</u>	<u>248,519</u>	<u>276,729</u>
<i>Total 2017</i>	<u>269,015</u>	<u>7,714</u>	<u>276,729</u>	

5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	10	-	10	-

6. Direct costs

	Educational activities £	Total 2018 £	Total 2017 £
Educational supplies	297,136	297,136	304,014
Teachers supply costs	224,329	224,329	498,287
Insurance	79,559	79,559	146,617
Examination fees	108,188	108,188	126,763
Wages and salaries	6,101,072	6,101,072	6,082,202
National insurance	657,718	657,718	636,866
Pension cost	805,042	805,042	753,367
	<u>8,273,044</u>	<u>8,273,044</u>	<u>8,548,116</u>
<i>Total 2017</i>	<u>8,548,116</u>	<u>8,548,116</u>	

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7. Support costs

	Educational activities £	Total 2018 £	Total 2017 £
Pension finance cost	47,000	47,000	50,000
Rent and rates	43,285	43,285	22,961
Maintenance of premises and equipment	106,293	106,293	98,646
Energy costs	160,975	160,975	105,796
Other support costs	170,787	170,787	174,985
Printing and stationery	92,438	92,438	111,717
Trip expenditure	18,832	18,832	9,243
Insurance	51,991	51,991	63,636
Support staff supply costs	53,653	53,653	35,050
Catering	211,195	211,195	329,857
Professional fees	13,098	13,098	8,810
Security and transport	186,451	186,451	167,296
Technology costs	31,627	31,627	33,611
Cleaning	9,961	9,961	8,708
Other occupancy costs	40,810	40,810	32,226
Other staff costs	3,668	3,668	19,630
Governance costs	28,166	28,166	23,590
Wages and salaries	847,292	847,292	799,488
National insurance	71,828	71,828	66,715
Pension cost	285,288	285,288	294,734
Depreciation	151,704	151,704	141,793
	<u>2,626,342</u>	<u>2,626,342</u>	<u>2,598,492</u>
<i>Total 2017</i>	<u>2,598,492</u>	<u>2,598,492</u>	

8. Expenditure

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Educational activities:					
Direct costs	7,788,161	-	484,883	8,273,044	8,548,116
Support costs	1,258,061	318,039	1,050,242	2,626,342	2,598,492
	<u>9,046,222</u>	<u>318,039</u>	<u>1,535,125</u>	<u>10,899,386</u>	<u>11,146,608</u>
<i>Total 2017</i>	<u>9,166,709</u>	<u>236,668</u>	<u>1,743,231</u>	<u>11,146,608</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational activities	8,273,044	2,626,342	10,899,386	11,146,608
<i>Total 2017</i>	8,548,116	2,598,492	11,146,608	

10. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	151,704	141,793
Auditors' remuneration - audit	4,700	4,700
Auditors' remuneration - other services	2,500	1,950
Operating lease rentals	-	6,004

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11. Staff costs

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	6,921,364	6,863,690
Social security costs	729,546	703,581
Operating costs of defined benefit pension schemes	1,090,330	1,048,101
	<u>8,741,240</u>	<u>8,615,372</u>
Supply teacher costs	224,329	498,287
Staff restructuring costs	27,000	18,000
Support staff supply costs	53,653	35,050
	<u>9,046,222</u>	<u>9,166,709</u>

Staff restructuring costs comprise:

Redundancy payments	7,660	-
Severance payments	8,493	18,000
Other restructuring costs	10,847	-
	<u>27,000</u>	<u>18,000</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	111	101
Administration and support	50	43
Management	8	8
	<u>169</u>	<u>152</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	4	3
In the band £70,001 - £80,000	0	2
In the band £80,001 - £90,000	2	1
In the band £100,001 - £110,000	1	0
In the band £120,001 - £130,000	0	1

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff costs (continued)

d. Key management personnel

The key management personnel of the academy comprise the trustees and the executive leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £625,839 (2017: £676,595).

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018 £	2017 £
A McClusky	Remuneration	105,000-110,000	120,000-125,000
	Pension contributions paid	15,000-20,000	15,000-20,000
L Finkelstein	Remuneration	40,000-45,000	60,000-65,000
	Pension contributions paid	nil	10,000-15,000
J Cohen	Remuneration	25,000-30,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000
A Kalley	Remuneration	50,000-55,000	50,000-55,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year ended 31 August 2018, £1,012 (2017: £375) of expenses were reimbursed to the governors. These expenses related to travel expenses for professional courses and student trips, and reimbursement for costs in relation to a sixth form event. A total of £325 (2017: £275) was spent on gifts for the Chair of the Fundraising Committee who organised the very successful school fundraising campaign and on a gift to the Governor who retired in September 2017 to thank him for his excellent work.

13. Trustees' and Officers' Insurance

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

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14. Pension finance cost

	2018 £	2017 £
Interest income on pension scheme assets	56,000	36,000
Interest on pension scheme liabilities	(103,000)	(86,000)
	<u>(47,000)</u>	<u>(50,000)</u>

15. Tangible fixed assets

	Furniture and fixtures £	Building improvements £	Motor vehicles £	Office equipment £	Total £
Cost					
At 1 September 2017	115,414	175,718	31,171	324,953	647,256
Additions	71,223	15,090	-	52,061	138,374
At 31 August 2018	<u>186,637</u>	<u>190,808</u>	<u>31,171</u>	<u>377,014</u>	<u>785,630</u>
Depreciation					
At 1 September 2017	29,633	86,845	25,624	203,091	345,193
Charge for the year	31,473	37,342	1,386	81,503	151,704
At 31 August 2018	<u>61,106</u>	<u>124,187</u>	<u>27,010</u>	<u>284,594</u>	<u>496,897</u>
Net book value					
At 31 August 2018	<u>125,531</u>	<u>66,621</u>	<u>4,161</u>	<u>92,420</u>	<u>288,733</u>
At 31 August 2017	<u>85,781</u>	<u>88,873</u>	<u>5,547</u>	<u>121,862</u>	<u>302,063</u>

The Academy Trust occupies land and buildings, free of charge, provided to it in accordance with a long standing arrangement that it has with the Trustees of the Jewish Secondary Schools Movement (referred to in a Supplemental Agreement between the Academy, Barnet Council and the Department of Education). The Supplemental Agreement contains a notional two year notice period.

Having considered the fact that The Academy Trust occupies the land and buildings but that this transfers to The Academy no rights or control over the site save that of occupying it, the Governors have concluded that the value of the land and buildings occupied by The Academy trust should not be recognised on the balance sheet of the company.

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16. Debtors

	2018 £	2017 £
Trade debtors	24,853	29,689
Other debtors	1,297,179	1,034,922
Prepayments and accrued income	89,462	108,162
	<u>1,411,494</u>	<u>1,172,773</u>

At the year end the academy was due £1,098,210 (2017: £905,368) from Hasmonean High School Charitable Trust, a related charity.

17. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	793,016	820,026
Other taxation and social security	26,037	32,721
Other creditors	1,239,997	610,644
Accruals and deferred income	79,610	56,158
	<u>2,138,660</u>	<u>1,519,549</u>

18. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses)/ Transfers £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds - all funds	114,863	4,044,343	(294,835)	(3,785,492)	-	78,879
Restricted funds						
Restricted Funds - all funds	(260,314)	6,464,420	(10,241,847)	3,671,981	-	(365,760)
Pension reserve	(1,805,000)	-	(211,000)	-	325,000	(1,691,000)
	<u>(2,065,314)</u>	<u>6,464,420</u>	<u>(10,452,847)</u>	<u>3,671,981</u>	<u>325,000</u>	<u>(2,056,760)</u>

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18. Statement of funds (continued)

Restricted fixed asset funds

Restricted Fixed Asset Funds - all funds	302,063	24,863	(151,704)	113,511	-	288,733
Total restricted funds	(1,763,251)	6,489,283	(10,604,551)	3,785,492	325,000	(1,768,027)
Total of funds	(1,648,388)	10,533,626	(10,899,386)	-	325,000	(1,689,148)

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed under the Funding Agreement with the DfE and the terms of any specific grant.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Statement of funds - prior year

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses)/ Transfers £	Balance at 31 August 2017 £
General funds						
General Funds - all funds	90,044	4,637,728	(2,483,544)	(2,129,365)	-	114,863
Restricted funds						
Restricted Funds - all funds	(222,119)	6,212,255	(8,298,271)	2,047,821	-	(260,314)
Pension reserve	(2,442,000)	-	(223,000)	-	860,000	(1,805,000)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	338,444	23,868	(141,793)	81,544	-	302,063
Total of funds	(2,235,631)	10,873,851	(11,146,608)	-	860,000	(1,648,388)

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A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses)/ Transfers £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds - all funds	90,044	8,682,071	(2,778,379)	(5,914,857)	-	78,879
Restricted funds						
Restricted Funds - all funds	(222,119)	12,676,675	(18,540,118)	5,719,802	-	(365,760)
Pension reserve	(2,442,000)	-	(434,000)	-	1,185,000	(1,691,000)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	338,444	48,731	(293,497)	195,055	-	288,733
	(2,325,675)	12,725,406	(19,267,615)	5,914,857	1,185,000	(1,768,027)
Total of funds	(2,235,631)	21,407,477	(22,045,994)	-	1,185,000	(1,689,148)

19. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	288,733	288,733
Current assets	78,879	1,772,900	-	1,851,779
Creditors due within one year	-	(2,138,660)	-	(2,138,660)
Provisions for liabilities and charges	-	(1,691,000)	-	(1,691,000)
	78,879	(2,056,760)	288,733	(1,689,148)

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Tangible fixed assets	-	-	302,063	302,063
Current assets	114,863	1,259,235	-	1,374,098
Creditors due within one year	-	(1,519,549)	-	(1,519,549)
Provisions for liabilities and charges	-	(1,805,000)	-	(1,805,000)
	<u>114,863</u>	<u>(2,065,314)</u>	<u>302,063</u>	<u>(1,648,388)</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2018	2017
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(365,760)	(272,757)
Adjustment for:		
Depreciation charges	151,704	141,793
Increase in debtors	(238,721)	(114,841)
Increase in creditors	619,111	69,210
Capital grants from DfE and other capital income	(24,863)	(23,868)
Defined benefit pension scheme cost less contributions payable	164,000	173,000
Defined benefit pension scheme finance cost	47,000	50,000
Net cash provided by operating activities	<u>352,471</u>	<u>22,537</u>

21. Analysis of cash and cash equivalents

	2018	2017
	£	£
Cash in hand	440,285	201,325
Total	<u>440,285</u>	<u>201,325</u>

22. Pension commitments

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Barnet. Both are Multi-Employer Defined Benefit Pension Schemes.

NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2018.

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.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £716,161 (2017 - £666,995).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

HASMONEAN HIGH SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

22. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £262,000 (2017 - £254,000), of which employer's contributions totalled £199,000 (2017 - £206,000) and employees' contributions totalled £63,000 (2017 - £48,000). The agreed contribution rates for future years are 23.8% - 25.8% for employers and 5.5% - 8.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.
London Borough of Barnet Pension Fund

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.70 %	2.70 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %

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

	2018	2017
Retiring today		
Males	21.9	21.9
Females	24.3	24.3
Retiring in 20 years		
Males	23.9	23.9
Females	26.5	26.5

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,419,000	1,775,000
Gilts	734,000	375,000
Cash and other liquid assets	293,000	-
Total market value of assets	2,446,000	2,150,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

22. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost	(363,000)	(379,000)
Interest income	56,000	36,000
Interest cost	(103,000)	(86,000)
Total	<u>(410,000)</u>	<u>(429,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	3,955,000	4,127,000
Current service cost	363,000	379,000
Interest cost	103,000	86,000
Employee contributions	63,000	48,000
Actuarial gains	(298,000)	(646,000)
Benefits paid	(49,000)	(39,000)
Closing defined benefit obligation	<u>4,137,000</u>	<u>3,955,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	2,150,000	1,685,000
Interest income	56,000	36,000
Actuarial losses	27,000	214,000
Employer contributions	199,000	206,000
Employee contributions	63,000	48,000
Benefits paid	(49,000)	(39,000)
Closing fair value of scheme assets	<u>2,446,000</u>	<u>2,150,000</u>

23. Members' liability

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. Related party transactions

Owing to the nature of the academy trust 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Academy Trust occupies land and buildings, free of charge, provided to it in accordance with a long standing arrangement that it has with the Trustees of the Jewish Secondary Schools Movement (referred to in a Supplemental Agreement between the Academy, Barnet Council and the Department of Education). The Supplemental Agreement contains a notional two year notice period.

Having considered the fact that The Academy Trust occupies the land and buildings but that this transfers to The Academy no rights or control over the site save that of occupying it, the Governors have concluded that the value of the land and buildings occupied by The Academy trust should not be recognised on the balance sheet of the company.

During the year, the school received donations of £3,749,480 (2017: £4,339,461) from the Hasmonean High School Charitable Trust, a related charity.

Mrs Jacqueline Benjamin became a governor of Hasmonean High School on 4th April 2017. Mrs Benjamin is a director of Xexec, a company which offers to employees of various companies discounts on a variety of goods and services from over 3,000 providers. Prior to Mrs Benjamin becoming a governor of the school Xexec allowed the school's staff to benefit from this opportunity and the company continues to provide this opportunity to its staff. Neither the school nor its employees pay to have access to this scheme: it is provided entirely free-of-charge by Xexec.