

Charity Registration No. 289066

Company Registration No. 01796116 (England and Wales)

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

NAIMA JPS COMPANY LIMITED BY GUARANTEE LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|--------------------------|--|
| Charity Trustees | Rabbi Dr A Levy OBE R Yentob J Levy J Arazi S Howard I Levy V Shamoon I Corre I Levy |
| Secretary | A Cohen |
| Charity number | 289066 |
| Company number | 01796116 |
| Registered office | 21 Andover Place London NW6 5ED |
| Auditor | Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB |

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**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 AUGUST 2020**

The Charity Trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "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) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are the advancement of secular and religious education including the provision of day schooling for children of both sexes, together with the provision of a Synagogue and other related religious amenities.

Within these objects the Charity has maintained a restricted fund for the purposes of granting scholarships to certain pupils who fit the school's scholarship criteria.

The policies adopted in furtherance of these objects are stated in this report and there has been no change in these during the year.

The Charity provides education to boys and girls from ages 3 to 11 years satisfying the requirements of UK primary education and provides a Pre-Nursery for children aged 2. It also makes its facilities available to the local community.

The School's ethos is centered on the belief that an excellent education with a strong religious grounding is mutually attainable and beneficial. It is this ethos that we adhere to as we aspire to prepare the School's pupils for adulthood.

It is the Charity's policy not only to educate infants and juniors to a high level of academic achievement but also to provide the religious community with suitable facilities and an establishment for prayer.

The charity has kept in mind the Charity Commission's guidance on public benefit. We believe that the main aim of the charity is the advancement of secular and religious education including the provision of day schooling for children of both sexes, together with the provision of a Synagogue and other related religious amenities. We also believe that the public benefit is further illustrated in this report through the Objectives and Activities and Achievements and Performance sections.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Charity Trustees to present a strategic report.

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

Notwithstanding the challenges of the coronavirus pandemic, Naima has had a good year and our children have done well in the unusual circumstances. Our Year 6 pupils received outstanding secondary transfer results offering places to top London, independent secondary schools despite the continually changing admission processes from the schools leading up to the exams which we could not have predicted. At this stage in the year, our predicted roll for the next academic year is slightly lower than this year as several of our overseas families have decided to return to their home countries as a result of the changing job market associated with Brexit or moving to be close to family. It is hoped that before the start of the next academic year we will have increased the numbers as enquiries and new applications have recently re – started. Our ethos remains to maintain both secular and religious academic standards to a high level for which the School has become known and we expect the School to thrive for the foreseeable future.

The coronavirus outbreak obviously affected the way our pupils were able to be taught however the School reacted immediately to the imposed lockdown measures and the children were given work packs in the first instance. A comprehensive online and offline timetable was soon offered which has continued for all the children during periods of lockdown. It should be noted that although the School was closed for the majority of students during the several lockdown periods, it continued to remain open for children of key workers and Nursery pupils, following Government guidance.

The teachers, children and parents enthusiastically tackled the online learning programmes and enjoyed additional activities such as yoga and drama classes as well as special events such as magic shows and special presentations for all the Jewish holidays. Families were sent regular updates and were supported constantly where it was required whether that was sending replacement exercise books or loaning l pads to families or offering tailor – made learning to those few children who struggled with the online learning. The weekly school videos continued to be sent to all families and staff boosting everyone's morale greatly.

In September, a school evaluation of the online learning together with parental feedback led to the remote learning programme offered to pupils moving largely to replicate the School timetable and the amount of live teaching and learning increased substantially in the subsequent lockdown periods. During the periods of time when the School was allowed to be open for all pupils, there were however, some students who did not return to School. These children were still able to access their classes online.

The School and parent body have, throughout this academic year, been in contact with Westminster Council about their proposal to build several social housing units next to the School. Although it is expected that the project will go ahead this Summer, it is hoped that the School will have some say in the conditionality of the project such as working hours and noise levels of the build.

Some minor refurbishment works such as the laying of new vinyl flooring for the Nursery was carried out last Summer but it was agreed to postpone everything else until the end of the pandemic.

Financial review

The Schools' operating surplus in the year was £224,227 (2019:£185,722).

School fees income has decreased by 13% to £2,123,354.

School wages and salaries costs have decreased by 13% to £1,769,680.

The net funds as at 31 August 2020 are £7,740,808 (2019: £7,516,582) and is considered satisfactory having regard to the Charity's objectives.

The surplus includes funds raised for the roof extension and building of the gym. As of 31 August 2020 the total raised is £1,940,527, including £70,000 raised in the year. The total expenditure for the work to date is £2,934,532. These costs have been capitalised under fixed assets, and therefore there is a timing difference between the income and expenditure.

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The Trustees have determined that the minimum level of liquid reserves which have not been invested in Tangible Fixed Assets should be equivalent to approximately 13 weeks' expenditure.

The Trustees' policy is to build sufficient free reserves for future investment in the school as a whole, not only enhancements to the fabric of the school buildings, but also to keep pace with technological change and innovation. This policy applies to Information Technology and school facilities in general.

Tangible Fixed Assets include school buildings, the Synagogue and the Mikveh. These buildings are used for non-commercial purposes and for this reason the Trustees do not consider it appropriate to recognise its market value in these financial statements.

The Trustees are empowered to place funds, administered by the Charity, into investments which are likely to generate income without a material risk to the underlying capital. Consequently, all funds are invested with the Charity's bankers or in treasury bonds. The Trustees' financial policy is to generate an income stream with minimal risk to capital. As part of the Charity's restricted fund, the school scholarship fund of £206,000, is earmarked to acquire investment property capable of generating a rental income in excess of bank interest.

Risk management

The Charity Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees examine, on a regular basis, any risks that they feel the school may face in each financial year. The Trustees have developed systems to monitor and control those risks to ensure that any impact or financial loss which may results from them may be kept to a minimum.

The key controls used by the Charity include:

- Comprehensive strategic planning and budgeting;
- Established organisational structure with formal written policies;
- Formal policies with clear authorisation and approval levels; and
- Strict vetting procedures as required by law for those requiring protection.

The trustees are satisfied that most risks identified have been completely mitigated and also recognise that the system can only provide reasonable but not absolute assurance that most risks have been adequately managed.

Plans for the future

As the UK moves out of lockdown and the children return to School, the children's learning will be reinforced and assessed and their wellbeing and mental health will also be reviewed by our school staff, counsellor and psychologist.

Structure, governance and management

The Charity is a company limited by guarantee and is governed by its memorandum and articles of association. The Board of Trustees are responsible for formulating the strategies and policies of the charity including the approval of budgets and the exercising of financial controls. The Bursar is responsible to the trustees for the management of the charity.

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

Rabbi Dr A Levy OBE
R Yentob

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

J Levy
J Arazi
S Howard
I Levy
V Shamoon
I Corre
I Levy

New trustees are identified and invited to join the board of trustees by the existing trustees. They are selected on the basis of their sympathy with the charitable objectives and their ability to pursue as a trustee. New trustees are elected by resolution and approved by a majority of trustees.

Under the company's Articles of Association any person who is willing to act as a trustee, and who would not be disqualified from acting for any reason, may be appointed to be a trustee by a decision of the trustees.

None of the Charity Trustees has any beneficial interest in the company. All of the Charity Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The school also appoints governors to act in an advisory basis to the trustees, to serve on a two to three year basis. The governors are selected from past or present parents and other parties with a connection to the school. The governors are not involved in final decision making.

The governors who served during the year were:

Governors

Mr Edward Misrahi
Mrs Alexandra Maurice
Ms Clare Ettinghausen
Mrs Fabiana Abadi
Mrs Efrat Sopher
Dr Naomi Katz
Mrs Sian Levy
Mrs Meira Drazin
Mrs Gabrielle Lyons (Resigned May 2020)

Head teacher

Mr Bill Pratt

Remuneration for Key Management Personnel is based on IAPS pay scales as a benchmark. The final decision on remuneration packages and bonuses are agreed by the trustees.

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

The trustees (who are also directors of Naima JPS for the purposes of company law) are responsible for preparing the Trustees' Annual Report [(including the Strategic Report)] and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Disclosure of information to auditor

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

The Trustees' report, including the strategic report, was approved by the Board of Charity Trustees.

J Levy

Trustee

Dated: 27 May 2021

NAIMA JPS COMPANY LIMITED BY GUARANTEE INDEPENDENT AUDITOR'S REPORT TO THE CHARITY TRUSTEES OF NAIMA JPS

Opinion

We have audited the financial statements of Naima JPS (the 'Charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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.

Basis for opinion

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

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Charity Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Charity Trustees are responsible for the other information. 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 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.

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE CHARITY TRUSTEES OF NAIMA JPS**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' 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 Charity Trustees

As explained more fully in the statement of Trustees' responsibilities, the Charity Trustees, who are also the directors of the Charity for the purpose 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 Charity 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 Charity Trustees are responsible for assessing the Charity'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 Charity Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE CHARITY TRUSTEES OF NAIMA JPS**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Paul Berlyn FCA (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP**

27 May 2021

**Chartered Accountants
Statutory Auditor**

30 City Road
London
EC1Y 2AB

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020**

| | | Unrestricted funds | Designated funds | Restricted funds | Total 2020 | Total 2019 |
|---|-------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Notes | £ | £ | £ | £ | £ |
| <u>Income and endowments from:</u> | | | | | | |
| Donations and legacies | 3 | 35,696 | 270,000 | 154,919 | 460,615 | 487,485 |
| Charitable activities | 4 | 2,167,319 | - | 130,844 | 2,298,163 | 2,674,913 |
| Investments | 5 | 7,644 | - | - | 7,644 | 21,379 |
| Other income | 6 | 28,971 | - | 81,802 | 110,773 | 16,795 |
| Total income and endowments | | <u>2,239,630</u> | <u>270,000</u> | <u>367,565</u> | <u>2,877,195</u> | <u>3,200,572</u> |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 7 | <u>2,072,970</u> | <u>214,922</u> | <u>365,077</u> | <u>2,652,969</u> | <u>3,014,850</u> |
| Net income for the year/ Net movement in funds | | 166,660 | 55,078 | 2,488 | 224,226 | 185,722 |
| Fund balances at 1 September 2019 | | <u>2,040,466</u> | <u>4,439,523</u> | <u>1,036,593</u> | <u>7,516,582</u> | <u>7,330,860</u> |
| Fund balances at 31 August 2020 | | <u><u>2,207,126</u></u> | <u><u>4,494,601</u></u> | <u><u>1,039,081</u></u> | <u><u>7,740,808</u></u> | <u><u>7,516,582</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|------------------|---|--------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 12 | 5,137,358 | | 5,303,693 | |
| Current assets | | | | | |
| Debtors | 14 | 76,076 | | 188,751 | |
| Cash at bank and in hand | | 3,452,104 | | 3,151,616 | |
| | | <u>3,528,180</u> | | <u>3,340,367</u> | |
| Creditors: amounts falling due within one year | 15 | <u>(924,730)</u> | | <u>(1,127,478)</u> | |
| Net current assets | | 2,603,450 | | 2,212,889 | |
| Total assets less current liabilities | | <u>7,740,808</u> | | <u>7,516,582</u> | |
| Income funds | | | | | |
| Restricted funds | 16 | 1,039,081 | | 1,036,593 | |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 17 | 4,494,601 | | 4,439,523 | |
| General unrestricted funds | | <u>2,207,126</u> | | <u>2,040,466</u> | |
| | | 6,701,727 | | 6,479,989 | |
| | | <u>7,740,808</u> | | <u>7,516,582</u> | |

The financial statements were approved by the Charity Trustees on 27 May 2021

J Levy
Trustee

J Arazi
Trustee

Company Registration No. 01796116

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 21 | | 314,056 | | 467,760 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (21,212) | | (687,197) | |
| Investment income received | | 7,644 | | 21,379 | |
| Net cash used in investing activities | | | (13,568) | | (665,818) |
| Net cash used in financing activities | | | - | | - |
| Net increase/(decrease) in cash and cash equivalents | | | 300,488 | | (198,058) |
| Cash and cash equivalents at beginning of year | | | 3,151,616 | | 3,349,674 |
| Cash and cash equivalents at end of year | | | 3,452,104 | | 3,151,616 |

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1 Accounting policies

Charity information

Naima JPS is a private company limited by guarantee incorporated in England and Wales. The registered office and principal place of business is 21 Andover Place, London, NW6 5ED.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Charity Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Charity Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Charity Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Charity Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income recognition

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fees receivable are accounted for in the period in which the service is provided. Fees receivable are stated after allowing for bursaries granted.

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

1 Accounting policies

(Continued)

1.5 Expenditure recognition

Expenditure designated as charitable expenditure represents costs directly attributable to the principal activities of the Company. These include the costs of teaching salaries and the associated staff and building costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Land and Buildings are valued at historical cost, which together with Fixtures, Fittings and Equipment are capitalised. In the opinion of the Trustees the Land and Buildings represent building primarily used as a school and for non-commercial purposes.

The Charity is responsible for keeping the original buildings in fit and useful condition, and these costs are written off as incurred.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|----------------------|
| Land and buildings | 2% Straight Line |
| Improvements to property | 2% Straight Line |
| Mikveh | 5% Straight Line |
| Fixtures, fittings & equipment | 20% Reducing Balance |
| Religious artefacts | 10% Reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The Teachers' Pension Scheme is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

1 Accounting policies

(Continued)

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.12 Restricted funds

Restricted funds that are raised in related to building work for the general use of the charity remain restricted until the work is completed. Upon completion the spent funds will be released to unrestricted funds.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Charity Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Tangible fixed assets

Accounting for tangible fixed assets involves the use of estimates and judgements for determining the useful lives over which these are to be depreciated or amortised and the existence of any impairment.

Tangible assets are depreciated over their estimated useful lives and taking into account their expected residual values. When the Charity estimates useful lives, various factors are considered including expected technological obsolescence and the expected usage of the asset.

The Trustees regularly review these asset lives and changes them as necessary to reflect the estimated current remaining lives in light of technological changes, future economic utilisation and physical condition of the assets concerned. A significant change in asset lives can have a significant change on depreciation and amortisation charges for the period.

3 Donations and legacies

| | Unrestricted funds | Designated funds | Restricted funds | Total | Total |
|--|-----------------------|---------------------|---------------------|-----------|-----------|
| | 2020 £ | 2020 £ | 2020 £ | 2020 £ | 2019 £ |
| Donations and gifts | 35,696 | 270,000 | 154,919 | 460,615 | 487,485 |
| For the year ended 31 August 2019 | 67,243 | - | 420,242 | | 487,485 |

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

| | Gross fees and related revenue | Security grants and voluntary donations | Total 2020 | Gross fees and related revenue | Security grants and voluntary donations | Total 2019 |
|--|--------------------------------------|--|---------------|--------------------------------------|--|---------------|
| | 2020 | 2020 | | 2019 | 2019 | |
| | £ | £ | £ | £ | £ | £ |
| Income within charitable activities | 2,167,319 | 130,844 | 2,298,163 | 2,538,537 | 136,376 | 2,674,913 |
| Analysis by fund | | | | | | |
| Unrestricted funds | 2,167,319 | - | 2,167,319 | 2,538,537 | - | 2,538,537 |
| Restricted funds | - | 130,844 | 130,844 | - | 136,376 | 136,376 |
| | 2,167,319 | 130,844 | 2,298,163 | 2,538,537 | 136,376 | 2,674,913 |

5 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2020 | 2019 |
| | £ | £ |
| Interest receivable | 7,644 | 21,379 |

6 Other income

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds |
|--------------|-----------------------|---------------------|---------|-----------------------|
| | 2020 | 2020 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Other income | 28,971 | 81,802 | 110,773 | 16,795 |

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

7 Charitable activities

| | School running and admin costs 2020 £ | Security costs 2020 £ | Establish - ment costs 2020 £ | Mikveh and operating costs 2020 £ | Total 2020 £ | Total 2019 £ |
|-----------------------------|--|--|--|--|-----------------------------|-----------------------------|
| Staff costs | 1,991,690 | 98,363 | - | 19,562 | 2,109,615 | 2,260,647 |
| Depreciation and impairment | 166,137 | - | - | 21,410 | 187,547 | 197,882 |
| Other costs | 212,356 | 29,222 | 110,136 | 4,093 | 355,807 | 556,321 |
| | <u>2,370,183</u> | <u>127,585</u> | <u>110,136</u> | <u>45,065</u> | <u>2,652,969</u> | <u>3,014,850</u> |
| | <u>2,370,183</u> | <u>127,585</u> | <u>110,136</u> | <u>45,065</u> | <u>2,652,969</u> | <u>3,014,850</u> |
| Analysis by fund | | | | | | |
| Unrestricted funds | 1,962,834 | - | 110,136 | - | 2,072,970 | 2,534,228 |
| Designated funds | 214,922 | - | - | - | 214,922 | 112,698 |
| Restricted funds | 192,427 | 127,585 | - | 45,065 | 365,077 | 367,924 |
| | <u>2,370,183</u> | <u>127,585</u> | <u>110,136</u> | <u>45,065</u> | <u>2,652,969</u> | <u>3,014,850</u> |

Cost include auditors fees of £9,300 (2019: £9,550) in respect of the audit of the accounts. There are no other fees paid to the auditors.

For the year ended 31 August 2019

| | School running and admin costs £ | Security costs £ | Establish - ment costs £ | Mikveh and operating costs £ | Total 2019 £ |
|------------------------------|---|---------------------------------|---|---|-----------------------------|
| Staff costs | 2,140,399 | 88,143 | - | 32,105 | 2,260,647 |
| Depreciation and impairment | 176,472 | - | - | 21,410 | 197,882 |
| Other costs | 393,880 | 29,438 | 129,327 | 3,676 | 556,321 |
| | <u>2,710,751</u> | <u>117,581</u> | <u>129,327</u> | <u>57,191</u> | <u>3,014,850</u> |
| | <u>2,710,751</u> | <u>117,581</u> | <u>129,327</u> | <u>57,191</u> | <u>3,014,850</u> |
| Analysis by fund | | | | | |
| Unrestricted funds | 2,404,901 | - | 129,327 | - | 2,534,228 |
| Endowment funds - designated | 112,698 | - | - | - | 112,698 |
| Restricted funds | 193,152 | 117,581 | - | 57,191 | 367,924 |
| | <u>2,710,751</u> | <u>117,581</u> | <u>129,327</u> | <u>57,191</u> | <u>3,014,850</u> |

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

8 School running costs

| | 2020 | 2019 |
|--|------------------|------------------|
| | £ | £ |
| Wages, salaries and social security | 1,769,680 | 2,037,499 |
| Staff pension costs | 107,692 | 102,900 |
| Teachers' training and related costs | 23,555 | 22,589 |
| Books and teaching consumables | 36,275 | 29,529 |
| School meals and refreshments | 105,919 | 146,319 |
| School outings and travel | 29,674 | 54,256 |
| Printing, stationary and communications | 16,293 | 21,206 |
| Insurance | 24,511 | 22,175 |
| Sundry expenses | 10,057 | 11,564 |
| Legal, professional and compliance costs | 34,951 | 25,478 |
| Computer & equipment maintenance | 20,248 | 20,414 |
| Bank charges | 1,602 | 2,201 |
| Marketing | 1,818 | 15,264 |
| Depreciation | 166,137 | 176,472 |
| Audit fees | 9,300 | 9,550 |
| Bad debts | 12,770 | 13,335 |
| Expenses for dinner | (300) | - |
| | <u>2,370,182</u> | <u>2,710,751</u> |

9 Charity Trustees

None of the Charity Trustees (or any persons connected with them) received any remuneration during the year.

10 Employees

The average monthly number of employees during the year was:

| | 2020 | 2019 |
|---------------|---------------|---------------|
| | Number | Number |
| Teachers | 43 | 42 |
| Support staff | 9 | 7 |
| Headmaster | 1 | 1 |
| Security | 3 | 3 |
| Mikveh | 2 | 2 |
| | <u>58</u> | <u>55</u> |

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

10 Employees

(Continued)

| Employment costs | 2020 £ | 2019 £ |
|-------------------------|-------------------|-------------------|
| Wages and salaries | 1,839,374 | 1,978,961 |
| Social security costs | 162,549 | 178,786 |
| Other pension costs | 107,692 | 102,900 |
| | <u>2,109,615</u> | <u>2,260,647</u> |

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

| | 2020 Number | 2019 Number |
|-------------------|------------------------|------------------------|
| £60,001 - £70,000 | - | 2 |
| £70,001 - £80,000 | 1 | 1 |
| £80,001 - £90,000 | 1 | - |
| | <u>1</u> | <u>3</u> |

Of the employees whose emoluments exceed £60,000, 2 (2019: 2) have retirement benefits accruing under defined benefit pension schemes.

11 Taxation

The company is a registered charity and no provision is considered necessary for taxation.

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets

| | Land and Improvements buildings to property | Mikveh | Fixtures, fittings & equipment | Religious artefacts | Total |
|------------------------------------|--|---------|--------------------------------------|------------------------|-----------|
| Cost | £ | £ | £ | £ | £ |
| At 1 September 2019 | 516,273 | 428,190 | 817,415 | 2,000 | 6,657,856 |
| Additions | - | - | 16,080 | - | 21,212 |
| At 31 August 2020 | 516,273 | 428,190 | 833,495 | 2,000 | 6,679,068 |
| Depreciation and impairment | | | | | |
| At 1 September 2019 | 196,881 | 119,042 | 544,379 | 1,925 | 1,354,155 |
| Depreciation charged in the year | 10,326 | 21,409 | 57,823 | 15 | 187,555 |
| At 31 August 2020 | 207,207 | 140,451 | 602,202 | 1,940 | 1,541,710 |
| Carrying amount | | | | | |
| At 31 August 2020 | 309,066 | 287,739 | 231,293 | 60 | 5,137,358 |
| At 31 August 2019 | 319,392 | 309,148 | 273,036 | 67 | 5,303,693 |

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

| | | |
|--|-------------------|-------------------|
| 13 Financial instruments | 2020 | 2019 |
| | £ | £ |
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 3,452,104 | 3,191,748 |
| | <u> </u> | <u> </u> |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 924,730 | 1,127,478 |
| | <u> </u> | <u> </u> |
| 14 Debtors | 2020 | 2019 |
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 4,928 | 81,370 |
| Other debtors | 50,514 | 68,475 |
| Prepayments and accrued income | 20,634 | 38,906 |
| | <u> </u> | <u> </u> |
| | 76,076 | 188,751 |
| | <u> </u> | <u> </u> |
| 15 Creditors: amounts falling due within one year | 2020 | 2019 |
| | £ | £ |
| Trade creditors | 80,136 | 124,217 |
| Other creditors | 785,826 | 865,453 |
| Accruals and deferred income | 58,768 | 137,808 |
| | <u> </u> | <u> </u> |
| | 924,730 | 1,127,478 |
| | <u> </u> | <u> </u> |

**NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 September 2018 £ | Movement in funds | | | Balance at 1 September 2019 £ | Movement in funds | | | Balance at 31 August 2020 £ |
|-----------------------|--|----------------------------|----------------------------|----------------|--|----------------------------|----------------------------|-----------|--------------------------------------|
| | | Incoming resources £ | Resources expended £ | Transfers £ | | Incoming resources £ | Resources expended £ | | |
| Roof and Extension | 1,636,958 | 85,000 | (58,961) | (1,662,997) | - | - | - | - | |
| Sainsbury Scholarship | 206,000 | 4,000 | - | - | 210,000 | 5,000 | (9,452) | 205,548 | |
| Mikveh | 1,794,600 | 18,204 | (98,312) | (1,405,343) | 309,149 | 31,895 | (45,065) | 295,979 | |
| Security | 105,250 | 136,375 | (117,581) | - | 124,044 | 144,118 | (127,585) | 140,577 | |
| IT project | 105,404 | 104,750 | (69,838) | - | 140,316 | 104,750 | (80,245) | 164,821 | |
| Art room | 23,927 | - | (3,343) | - | 20,584 | - | (2,570) | 18,014 | |
| Library | 44,100 | 44,000 | (1,824) | - | 86,276 | - | (1,644) | 84,632 | |
| Kitchen | - | 153,055 | (15,817) | - | 137,238 | - | (14,919) | 122,319 | |
| Playground | - | 11,233 | (2,247) | - | 8,986 | - | (1,795) | 7,191 | |
| Furlough income | - | - | - | - | - | 81,802 | (81,802) | - | |
| | 3,916,239 | 556,617 | (367,923) | (3,068,340) | 1,036,593 | 367,565 | (365,077) | 1,039,081 | |

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 September 2018 | Resources expended | Transfers | Balance at 1 September 2019 | Movement in funds | | Balance at 31 August 2020 |
|---|-----------------------------------|-----------------------|------------------|-----------------------------------|-----------------------|-----------------------|---------------------------------|
| | £ | £ | £ | £ | Incoming resources | Resources expended | £ |
| School development fund/ Teachers of excellence | 1,483,881 | (112,698) | - | 1,371,183 | 200,000 | (114,318) | 1,456,865 |
| Building fund | - | - | 3,068,340 | 3,068,340 | 70,000 | (100,604) | 3,037,736 |
| | <u>1,483,881</u> | <u>(112,698)</u> | <u>3,068,340</u> | <u>4,439,523</u> | <u>270,000</u> | <u>(214,922)</u> | <u>4,494,601</u> |

The trustees have designated these funds.

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented

by:

Tangible assets

Current assets/(liabilities)

| | Unrestricted Funds 2020 £ | Designated Funds 2020 £ | Restricted Funds 2020 £ | Total 2020 £ | Unrestricted Funds 2019 £ | Designated Funds 2019 £ | Restricted Funds 2019 £ | Total 2019 £ |
|--|------------------------------------|----------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|----------------------------------|--------------------|
| | 369,881 | 4,208,578 | 558,899 | 5,137,358 | 1,628,139 | 3,068,340 | 607,214 | 5,303,693 |
| | 1,837,245 | 286,023 | 480,182 | 2,603,450 | 412,327 | 1,371,183 | 429,379 | 2,212,889 |
| | 2,207,126 | 4,494,601 | 1,039,081 | 7,740,808 | 2,040,466 | 4,439,523 | 1,036,593 | 7,516,582 |

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

19 Scholarship Funds

The scholarship restricted fund of £210,000 (2019: £206,000) represents capital donated where only the income generated from such monies can be applied to fund scholarships.

During the year, the Trustees approved financial assistance to fees totalling £89,015 (2019: £120,677).

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

| | 2020 | 2019 |
|------------------------|-------------|-------------|
| | £ | £ |
| Aggregate compensation | 356,490 | 319,726 |

The charity offers bursaries to eligible pupils which include the direct descendants of Rabbis. The bursaries offered to the direct descendants of Rabbis are agreed by the trustees and are in accordance with school policies and are in line with bursaries available to other eligible pupils.

| 21 Cash generated from operations | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Surplus for the year | 224,226 | 185,722 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (7,644) | (21,379) |
| Depreciation and impairment of tangible fixed assets | 187,547 | 197,882 |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 112,675 | (24,442) |
| (Decrease)/increase in creditors | (202,748) | 129,977 |
| Cash generated from operations | 314,056 | 467,760 |

22 Analysis of changes in net funds

The Charity had no debt during the year.

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

| | £ | 2020 £ | £ | 2019 £ |
|---|-------------|------------------|-------------|------------------|
| School activities | | | | |
| School fees | 2,123,355 | | 2,462,978 | |
| School trips | 11,136 | | 49,071 | |
| Other sundry income | 45,991 | | 43,283 | |
| School administration costs | (1,962,835) | | (2,404,901) | |
| | | 217,647 | | 150,431 |
| Other overheads | | | | |
| Establishment costs | (110,135) | | (129,327) | |
| | | (110,135) | | (129,327) |
| Surplus/deficit from school activities | | 107,512 | | 21,104 |
| Other charitable activities | | | | |
| General donations | 51,504 | | 67,243 | |
| | | 51,504 | | 67,243 |
| Other income | | | | |
| Interest | | 7,644 | | 21,379 |
| Net movement in unrestricted funds | | 166,660 | | 109,726 |
| Teachers of excellence | | | | |
| Donations | 200,000 | | - | |
| Operating costs | (114,318) | | (112,698) | |
| | | 85,682 | | (112,698) |
| Building | | | | |
| Donations | 70,000 | | - | |
| Operating costs | (100,604) | | - | |
| | | (30,604) | | - |
| Net movement in designated funds | | 55,078 | | (112,698) |

NAIMA JPS
COMPANY LIMITED BY GUARANTEE
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

| | £ | 2020 £ | £ | 2019 £ |
|---|-----------|-----------------|-----------|-----------------|
| Mikveh activities | | | | |
| Donations | 31,895 | | 18,204 | |
| Operating cost | (45,064) | | (57,191) | |
| | | (13,169) | | (38,987) |
| Security | | | | |
| Voluntary contributions and donations | 144,118 | | 136,376 | |
| Security related costs | (127,586) | | (117,581) | |
| | | 16,532 | | 18,795 |
| Specific donations | | | | |
| Roof fund | - | | 85,000 | |
| IT fund | 104,750 | | 104,750 | |
| Library | - | | 44,000 | |
| Kitchen | - | | 153,055 | |
| Playground equipment | - | | 11,233 | |
| Scholarship fund | 5,000 | | 4,000 | |
| Operating costs | (110,625) | | (193,152) | |
| | | (875) | | 208,886 |
| Net movement in restricted funds | | 2,488 | | 188,694 |
| Total surplus for the year | | 224,226 | | 185,722 |