



Education & Skills  
Funding Agency

Education and Skills Funding Agency  
Sanctuary Buildings  
Great Smith Street  
London  
SW1P 3BT  
Tel: 0370 000 2288  
[www.education.gov.uk/efa-enquiry-form](http://www.education.gov.uk/efa-enquiry-form)

30 January 2023

Mrs Hadasa Korner  
Chair of Trustees  
The Lubavitch Multi-Academy Trust  
107-115 Stamford Hill  
London  
N16 5RP

Dear Mrs Korner

### **Financial Notice to Improve**

On 3 February 2021, I wrote to your predecessor, Ms Bulmer, in her capacity as the Chair of Trustees at The Lubavitch Multi-Academy Trust (MAT) to serve notice that the trust was required to improve its compliance under the Academies Financial Handbook (AFH) 2020.

This was as a consequence of several important actions remaining outstanding from the Financial Notice to Improve (FNtI) issued on 22 January 2020 and concerns remaining in relation to the continued weak financial management and control at the Trust. The FNtI set out the actions that were needed to be taken by the trust to make sure necessary improvements were made.

We have closely monitored the trust's progress against the conditions set out in the notice. The conditions are summarised below:

- Trust must comply to following:
  - To submit all audited financial statements to the ESFA on time and without qualification.
  - Submit the Budget Forecast Return Outturn (BFRO) and Budget Forecast Return by the deadline.
  - Contact the ESFA at an early stage if falling behind the schedule set out in their financial plan.
- Trust must seek ESFA approval in advance, for any actions under the revoked freedoms in Part 3.
- Trust must make repayments of the advance of GAG as scheduled.
- Trust must ensure to achieve a surplus budget from 2020/21 onwards.
- Trust must provide an action plan for the recommendations made in management letters and internal audit assessments.
- Trust must provide an unqualified audit opinion.
- Trust must seek approval for the payments that exceeds £5k, except, pay, contract renewals or regular supplies.
- Board must ensure adequate financial oversight to maintain financial viability.

- Trust to ensure all its employees have a signed employment contract and personnel files.
- Trust must carry out a pay structure review to ensure value for money is achieved.
- Trust must have a robust recruitment policy, to ensure a clear guidelines in place.
- Board must ensure a three-year financial plan, to be revised and submitted to ESFA every 6 months.
- Trust must submit the methodology for apportioning overheads between the Foundation and LMAT
- Trust must set a robust reserve policy, taking into account Charites Commission guidance and ensuring future budgets follows policy.
- Trust must have a permanent senior executive leader i.e. chief executive or equivalent in place.

I am pleased to inform you that I am satisfied that the FNtl conditions have been met. As a result, the FNtl will be lifted with effect from the date of this letter.

This letter will be published on the GOV.UK website. I am copying this letter to Judith Nemeth, Accounting Officer of the trust, and Claire Burton, Regional Director for London.

It is important that the trust continues to embed the financial management, controls and strong operational governance to exercise strong financial oversight of the trust. I would like to thank you for your contribution in ensuring the trust has reached this position.

Yours sincerely



**Kevin Mothersdale on behalf of Warwick Sharp  
Director, Schools Financial Support and Oversight**

cc: Judith Nemeth, Accounting Officer  
Claire Burton, Regional Director for London