

Company registration number 07416734 (England and Wales)

GURU NANAK SIKH ACADEMY LIMITED
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

GURU NANAK SIKH ACADEMY LIMITED

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GURU NANAK SIKH ACADEMY LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr G Ahluwalia
Mr R Sandhu
Mr S Anparasan - Appointed 23 September 2023
Dr L Banerji - Resigned 23 September 2023

Trustees

Mr A Thakur (Chair of Trustees)
Mr A Ghakal (Vice-Chair of Trustees)
Mr J Sidhu (CEO/Executive Principal & Accounting Officer)
Mr P Ryerson
Dr P Bhullar (Resigned 21 September 2023)
Mrs G Sidhu (Resigned 21 September 2023)
Mr C Gringas (Resigned 30 January 2023)
Mr D Lawrence
Mr S Randhawa (Parent Trustee)
Mr P Matoo (Appointed 28 September 2023)
Mr G Singh (Parent Trustee) (Appointed 1 February 2023)
Ms A Tamber (Appointed 28 September 2023)
Mr J Khangura (Resigned 21 September 2023)

Senior Executive Team of Guru Nanak Sikh Multi Academy Trust (MAT)

- Executive Principal	Mr J Sidhu
- Chief Financial Officer	Mr M K Baig

Senior Leadership Team of Guru Nanak Sikh Academy - Secondary

- Vice Principal	Mrs D Soneji
- Assistant Principal	Mr T Perryman
- Assistant Principal	Mrs G Sidhu
- Assistant Principal	Mrs B Curtis
- Assistant Principal	Dr P Bhullar
- Assistant Principal	Mr J Perkins
- Assistant Principal	Mrs C Wilson

Senior Leadership Team of Guru Nanak Sikh Academy - Primary School

- Vice Principal	Ms A O'Leary (appointed acting VP 1 January 2023, appointed VP 1 September 2023)
- Vice Principal	Mrs P Dhaliwal (resigned 31 December 2022)

GURU NANAK SIKH ACADEMY LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Senior Leadership Team of Nanaksar Primary School

- Vice Principal Ms A Chatur

Standards and Curriculum Committee

Mr P Ryerson (Chair)

Mrs G Sidhu

Mr S Randhawa

Mr A Thakur

Finance and Audit Committee

Mr A Ghakal (Chair)

Dr P Bhullar

Mr J Sidhu (Accounting officer)

Mr D Lawrence

Mr J Khangura

Company secretary

Dr P Bhullar (Appointed 23 September 2023)

Mrs G. Sidhu (Resigned 22 September 2023)

Company registration number

07416734 (England and Wales)

Principal address

Springfield Road

Hayes

London

UB4 0LT

Registered office

Springfield Road

Hayes

London

UB4 0LT

Academies operated

Guru Nanak Sikh Academy

Nanaksar Primary School

Location

Springfield Road, Hayes, UB4 0LT

Springfield Road, Hayes, UB4 0LT

Executive Principal

Mr J Sidhu

Mr J Sidhu

Independent auditor

Alliotts LLP

Friary Court

13-21 High Street

Guildford

Surrey

GU1 3DL

Bankers

Lloyds TSB Bank

1st Floor, Princess House

1 Suffolk Lane

London

EC4R 0AX

Metro Bank

One Southampton Row

London

WC1B 5HA

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust oversees the operation of two distinct schools: Guru Nanak Sikh Academy (GNSA), a through school encompassing primary to secondary education and sixth form; and Nanak Sarkar Primary School (NPS) in Hayes. With a combined pupil capacity of 2020, these academies boasted a student enrolment of 1696 as reported in the October 2023 school census.

Structure, governance and management

Constitution

The Guru Nanak Sikh Academy Ltd is a company limited by guarantee and registered at Companies House under registration number 07416734 (England and Wales). The Academy is an exempt charity and is entitled to the same exemptions from UK corporation tax as registered charities.

The Directors of The Guru Nanak Sikh Academy Limited are also the directors of the charitable company for the purposes of company law.

The Guru Nanak Sikh Academy Limited became a Multi-Academy Trust (MAT) on 29 August 2013 and the constituent academy schools are The Guru Nanak Sikh Academy and The Nanaksar Primary School, a free school which was opened in September 2013. The Trust is now commonly known as Guru Nanak Sikh Multi Academy Trust (GNSMAT).

The Trust is governed by its Memorandum and Articles of Association as amended in its governing documents to accommodate the formation of a Multi Academy Trust structure in August 2013. The Directors/Trustees of the Trust, appointed in accordance with the articles, are the charity directors and are also the directors of the charitable company for the purposes of company law. The Directors/Trustees are legally responsible for the governance and management of the Trust.

As part of the Trust's on-going improvement and growth strategy, the structure of the Multi Academy Trust is evolving with changes to its constituent member on the Board of Director and delegation of management to the sub committees namely, finance and audit committee, and standard and curriculum committee.

Details of the Trustees who served during the year, and to the date these accounts are approved, 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.

Trustees' indemnities

Subject to the provisions set out in the Companies Act, every Trustee or other officer of the Trust will be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in their 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 Trust. The liability cover is unlimited which is provided under the risk protection arrangement effective for the whole financial year for which these accounts are being presented.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees. The Members may appoint by ordinary resolution up to fourteen Trustees. In circumstances where the Trustees have not appointed Local Governing Bodies in respect of the Academies or if no provision is made for at least two parent local Governors on each established Local Governing Body, which currently is the case, there shall be a minimum of two Parent Trustees and otherwise such number as the Members shall decide who shall be elected in accordance with the company's Articles of Association. All Trustees give of their time freely and receive no remuneration other than reasonable expenses, except those Trustees who are employees of the Trust.

Policies and procedures adopted for the induction and training of Trustees

New Trustees are inducted into the workings of the Trust with provision of appropriate documentation relating to the areas of board policies and procedures as well as the mission and ethos of the Trust. The induction period that includes a tour of the academies that allows the new Trustees to fully understand how the organisation operates and the various committees which are used to assist in governance of the Trust.

External training and internal programmes are made available for the Trustees who wish to develop a more detailed understanding of their role and the work of the Board of Trustees and the committees.

Organisational structure

The Guru Nanak Sikh Academy Ltd supports all its academies through an experienced Board of Trustees who are responsible for identifying and establishing strategies and policies and for ensuring that these are implemented throughout the organisation. The Board is the strategic body for the Academies, setting strategic direction and holding senior staff to account for the success of the Trust and the schools within it.

To assist with this, the Trustees have established appropriate sub-committees, as explained below, for the Trust. The Trustees consider that their role is to approve the strategic direction and objectives of the Trust and monitor its progress towards these objectives. The terms of reference and remit of these committees are reviewed and agreed by the Board of Trustees on an annual basis. In addition to the terms of reference, the Board of Trustees have a delegated scheme of authority for effective and efficient decision making. Academies within the Trust are further supported by senior management teams who provide the Academy improvement and corporate services.

The Board of Trustees receives reports including policies from its committees for ratification. It monitors the activities of the Committees, but most importantly, it is responsible for setting general policy, adopting an annual School Development Plan and the consolidated budget. Trustees monitor the Trust by use of budgets and strategic development plans and make major decisions about the direction of the schools, capital expenditure and senior key personnel appointment within the Trust. The Board of Trustees meets at least three times a year to monitor closely the academic progress of all academies within the Trust.

While the Board may identify the need for other committees on an ongoing basis that may be beneficial to the development of the Trust, currently it has established following sub-committees:

1. **The Finance and Audit Committee** meets at least three times per year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, including internal scrutiny and external audits, and drafting the annual budget including setting staffing levels. The committee reviews the staffing plan and structure and considers the provision for teaching and support staff. It also considers the issue of specific staff related policies as well as recruitment issues.
2. **The Standards & Curriculum Committee** meets at least three times per year to evaluate the Trust's impact on all the schools and to consider the deployment of its resources and monitor the budget. It also plans the sharing of good practice and undertakes shared training and development, to discuss and influence the CPD programme for the senior leadership team.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Trust have restructured its sub-committees post balance sheet date, and now operate three sub-committees namely, Finance and Personnel Committee, Audit and Risk Committee and Standards & Curriculum Committee.

The Members have appointed the Executive Principal as a Trustee in accordance with Articles of Association. The Executive Principal serves as Chief Executive Officer (CEO) to raise standards and provide a better management structure and overall business and teaching function within the Trust. This strengthens the Trust as we aim to aspire to grow in future years. The Executive Principal also assumes the role of Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. No Trustees, except for the Executive Principal and being a Trust employee who sits on the Board by virtue of Articles of Association, are remunerated in respect of their duties as a Trustee. Dr P Bhullar and Mrs G Sidhu sat on the Board being staff employees but have now resigned post balance sheet date. The pay and remuneration of the senior management team is approved annually by the Finance and Audit Committee, as it is for all the staff. Consideration is given to local and national benchmarking as well as the performance of both the individual and the Trust.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	2.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and other connected charities and organisations

No payments were made to any related party during the year.

Objectives and activities

Objects and aims

Vision Statement of the Multi Academy Trust

"To provide an outstanding learning environment that challenges all of us to achieve our full potential and continually to share our knowledge and skills with the local and global community."

Values

The SHARE acronym encapsulates the values of Guru Nanak Sikh Multi Academies Trust. These values are at the heart of everything we do in our schools, and they describe the qualities our students and staff value most - Service to others, Humility, Achievement, Respect and Equality.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, strategies and activities

Objects and aims

The Trust's objects are specifically restricted to the following as described in its Articles of Association: "To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream academies") and which shall include schools with a designated Sikh religious character, offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of Sikhism both generally and in particular in relation to arranging for religious education and daily acts of worship."

Our aims are:

To build a strong community based on the principles of Sikhism (honesty, hard work and service to others):

- To provide quality education that is broad, balanced and relevant to the needs of pupils within a modern society.
- To enable all pupils to achieve their potential through the highest standards of teaching and learning.
- To develop each pupil's self-esteem, confidence and independence with consideration for others and the concept of SEWA (service for others).
- To strengthen bonds between home, community and school, providing a preparation for each pupil's entry into the wider community.
- To be committed to encouraging every member of our community to invest in life-long learning and personal development.

The main activities of our schools are concerned with:

- Providing a broad and balanced education for all our pupils
- Raising standards and achievement so that we are above local and national average in all fields
- Providing a quality of Teaching and Learning for all our pupils
- Providing value for money for the funds expended
- Compliance with statutory requirements
- Conducting the Trust's business with the highest standards of integrity, probity and openness, maintaining a Sikh ethos of hard work and service to others.

Strategies

The Trust ensures that pupils benefit from the quality of education provided, as evidenced by the strong pupil progress and standards of achievement year after year. They become independent learners able to address challenges and difficulties to achieve successfully. Pupils are prepared to become active citizens and play their part in public and civil life through participation in activities such as the School Council and undertaking responsible roles as prefects and ambassadors for the schools. Pupils are made aware of British values and how to hold them as responsible citizens up. They are aware of both their local community and wider horizons revealed through educational visits.

Parents are regarded as partners in learning and this is maximised through the creation of strong home-school partnerships for learning.

All staff have the opportunity to further develop through working collaboratively with others to enhance their own expertise. There is a strong element of professional development for unqualified teachers through the Assessment only route.

Trustees both challenge and support through their role as critical friends. Our strategic vision is reflected in the acronym EASi. EASi, an acronym for Research-Based Evidence approach, building Autonomy, creating a happy and Safe environment, and being innovative and creative in what we do, has been a driving factor for our success and day-to-day work at our schools.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Under the EASi approach, our teachers have actively begun working on the EFF program, which is rooted in reflective practice and research-based evidence-informed practice. This program empowers our teachers to continuously learn and grow, keeping up with the latest research and best practices in education, ultimately enhancing their teaching methodologies and improving student outcomes.

Furthermore, we are delighted to report that we have recently undergone two successful safeguarding audits, resulting in positive outcomes. The audits have affirmed our commitment to creating a safe and secure environment for all members of our school community, ensuring the well-being and protection of our students.

Ofsted Inspection

Guru Nanak Sikh Academy underwent an Ofsted inspection in May 2023. We are delighted to announce that our institution has been awarded an overall grade of 'Good' and received an exceptional grade for Attitude and Behaviour, reflecting the diligent efforts of both staff and students. This achievement serves as a testament to our unwavering dedication towards providing a nurturing and conducive learning environment.

Well-Being Award

In addition to our Ofsted success, we are proud to report that Guru Nanak Sikh Academy has also been granted the esteemed Well-Being Award. This recognition acknowledges the implementation of various strategies and initiatives by our leaders to ensure the highest well-being standards for students and staff. It serves as a testament to our commitment to holistic education, prioritising our entire school community's mental, emotional, and physical well-being.

Appointment of New Chief Financial Officer

Recognising the need for financial stability and future growth, the Trust has appointed Mr. Mirza Kashif Baig as our new Chief Financial Officer. This strategic appointment aims to strengthen the overall financial position of the Trust and ensure a sustainable and prosperous future. We are confident that Mr. Baig's expertise and guidance will lead us to achieve our financial goals while upholding transparency and accountability.

Future Projects and Initiatives

As we continue to aspire towards providing the best possible learning experience, the Trustees are actively exploring the possibility of constructing a new Lecture Theatre for Guru Nanak Sikh Academy. This project is expected to have a significant positive impact on both our students and the local community. The Theatre will not only benefit our pupils by providing them with a state-of-the-art learning facility but will also generate additional lettings income to support our ongoing endeavours.

Conclusion

The past year has been marked by outstanding achievements and milestones for Guru Nanak Sikh Academy and Nanaksar Primary School. Our dedication to academic excellence, well-being, and financial stability has yielded significant success, culminating in the exceptional Ofsted inspection results and the attainment of the Well-Being Award. We thank the staff, students, parents, and Trustees for their hard work, support, and commitment.

We enthusiastically look forward to the future and anticipate continued success as we strive to provide a nurturing, inclusive, and holistic education for all at Guru Nanak Sikh Academy Multi Academy Trust (GNSMAT).

Public benefit

In setting the objectives and planning the activities, the Trustees have considered Charity Commission's general guidance on public benefit. Following the end of the pandemic, the Trust continues to making its facilities available to the local community, providing after school and weekend clubs and courses for its students and workshops for its parents. The Trust recognises the increased need for these facilities currently, and the contribution this makes in supporting the mental health of the local community.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

a. Key performance indicators

Our results underscore the collaborative efforts of our school community, reinforcing our commitment to fostering an environment where students can reach their full potential. The overall key stage 4 Progress 8 score of +0.74 places the school within the 'Well above average' banding and ranks order number 3 in the local authority. Attainment at key stage 2 is above the national average with a progress score in mathematics of +3.92 (National +0.04), this highlights the sustained commitment to academic excellence within our school.

Outcomes at key stage 5 present a common challenge, the cohort did not take their GCSE examinations in Year 11, marking this the first occasion they encountered a formal examination. A level results are below the national average overall; the school has taken a direct and constructive approach to addressing the underlying issues affecting overall student performance at key stage 5. However, we recognise the continued success of learners following applied general programmes of study that make good progress from their starting points.

Destinations at key stage 4 and 16 to 18 for sustained education, employment or training remain significantly above national average. Students complete their programmes of study and achieve qualifications relevant to their career aims.

b. KS1

Reading, writing TA, and mathematics - attainment	National	2023
Reading, writing TA and mathematics: percentage of pupils achieving the expected standard	56%	72%
Reading, writing TA and mathematics: percentage of pupils achieving a high score	6%	8%

c. KS2

Reading, writing TA, and mathematics -LA attainment	National	2023
Reading, writing TA and mathematics: percentage of pupils achieving the expected standard	59%	75%
Reading, writing TA and mathematics: percentage of pupils achieving a high score	8%	14%

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

d. KS4

	2019	2022	2023	LA	National
No. of pupils	177	177	182		
P8 score & CI	0.7	0.79	0.74		
A8 score	55.76	60.3	56.4	48.8	46.2
English & maths at grade 5+	60%	75%	66%	51%	45%
English & maths at grade 4+	82%	90%	82%	70%	65%
EBacc at grade 5+	34%	47%	34%	19%	17%
EBacc at grade 4+	46%	60%	49%	27%	24%
Entering EBacc	84%	96%	97%	44%	39%

e. KS5

A level cohort and results	2019	2022	2023	National
Number of students at the end of 16 to 18 study with an A level exam entry (for average grade measure)	64	91	77	
Average point score per A level entry expressed as a grade	C-	B	C-	C+
Average point score per A level entry	27.09	38.9	27.31	34.3
Applied general cohort and results	2019	2022	2023	National
Number of students at the end of 16 to 18 study with an applied general exam entry (for average grade measure)	15	27	29	
Average point score per applied general entry expressed as a vocational grade	Dist.-	Dist*-	Dist	Merit
Average point score per applied general entry	31.95	44.08	36.33	

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

f. Nanaksar KS1

Reading, writing TA, and mathematics - attainment	National	2023
Reading, writing TA and mathematics: percentage of pupils achieving the expected standard	56%	69%
Reading, writing TA and mathematics: percentage of pupils achieving a high score	6%	4%

Expected standards in KS1 Reading is above the national average with Writing and Mathematics securing a position in the 91st and 92nd percentile which is significantly above national. The school continues to make good progress overall, reflecting a concerted effort towards continuous improvement.

Going Concern

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

Financial review

The Trust's academies are largely funded by the Education Skills and Funding Agency (ESFA), an executive agency of Department for Education. The grants received from the ESFA are restricted to educational purposes. The level of such grants during the year to 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Some funding is provided by the local authority, mainly in relation to High Needs pupils.

The statement of financial activities on page 27 shows a surplus for the year before actuarial gains or losses on the Local Government Pension Scheme of £709,956 (2022 deficit £1,307,207). This includes £47,000 (2022: £110,000) of pension finance costs and non cash pension costs £85,000 (2022: £656,000) under FRS102, income from capital grants £666,671 (2022: £33,976) and the depreciation and amortisation charge £319,230 (2022: £327,789). The combined movement on unrestricted funds and restricted general funds is equivalent to the operational surplus for the year of £382,064 (2022: deficit of £806,396).

The pension reserve shows an decrease in the Local Government Scheme Pension deficit to £322,000 (2022: deficit £1,065,000). Further details are shown in note 18. At present this does not affect day to day operations, but the Trust continues to monitor this figure as future cash contributions may increase. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Trust's closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

The Trustees have responsibility for managing the assets of the Trust which is a single legal entity. Setting a reserves policy is a central part of managing a Trust's finances and safeguarding the Trust's assets in uncertain times. The Trustees must ensure that the Trust holds reserves at a level sufficient to enable it to implement its future strategy. The level of reserves therefore depends on the value placed on implementing the strategy.

The Personnel and finance committee has authority to designate resources to individual entities within the Trust as appropriate. It is the policy of the Trust that reserves should be maintained at no less than the equivalent of at least one month's payroll unless expressly authorised by the finance committee.

As part of the budgeting process, the Trustees have reviewed the reserves of the Trust and determined the level of reserves to be retained from income received during the current year to allow the Trust to continue operations in future periods. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves.

The Trust's long-term forecast predicts that there will be significant financial pressure on the Trust going forwards. This is mainly due to the expectation of only modest increases in ESFA funding during a period of very significant costs increases, especially in relation to staffing and energy but also in other costs. Also, Covid-recovery grants provide some, but not all, of the extra resources needed to help pupils recover the learning lost during the pandemic. Although the Trust, is continuously looking for efficiency savings, these extra costs could have a significant impact on Trust's Reserves. As a result of strong financial management, the Trust had available income reserves of £1,406,163 (comprising unrestricted reserves of £947,347 and restricted general reserves of £458,816) at 31 August 2023, equating to 11.7% of income for the year.

The Trustees will keep the level of reserves under review and are satisfied with the way that expenditure during the year has been applied from various restricted reserves.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £322,000 (2022: £1,065,000). 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.

It is also important to highlight that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employees' pension contributions over a period of years. The Trust 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 pension contributions should generally be met from the Trust'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 Trust due to the recognition of the deficit.

The level of reserves held considers the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under constant review and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the trust.

Investment policy

The Trust has power with regards to investments due to the healthy cash balances it holds. The Trust aims to ensure that sufficient funds are available to cover any immediate expenditure, without exposing the Trust to additional risk while protecting the long-term value of any surplus cash balances against inflation. Investments held by the Trust are in the form of Special Interest Deposit accounts which are immediately available to draw against.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

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

The Trustees have assessed the major risks to which the Trust is exposed, those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have implemented several systems to assess risks that its academies face, especially in the operational areas (e.g., in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g., vetting of new staff and visitors, supervision of school grounds etc.) and internal financial controls to minimise risk. Where possible, protection against financial risk is covered by insurance.

The risk management system consists of, as outlined below, a set of policies, procedures and the Risk Register, approved by the relevant committee. These are implemented by the senior leadership team to facilitate an effective and efficient operating environment and therefore enabling the Trust to respond to a variety of operational, financial, reputation and commercial risks:

- Policies and Procedures – considering relevant legislations e.g., concerning health and safety, safeguarding, etc.
- Strategic Planning and Budgeting - setting objectives, action plans, and resources allocation.
- Financial Management Policy - detailing the information of the financial activities of the Trust considering Academy Trust Handbook.
- Risk Register - listing of potential risks that are identified i.e., Funding uncertainties impacting on financial risk, child protection and student welfare, health and safety risk and commercial risk faced by the Trust. Use of risk profile assessment matrix to assist in the development of risk management and reviewed regularly by the Board of Trustees.

The principal risks and uncertainties facing the academy trust are as follows:

Financial - the Trust have considerable reliance on continued Government funding through the ESFA. In the last year 99% of the incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review practices and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Trust is dependent on implementing rapid and sustained educational achievement in its schools and continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk the Board of Trustees ensure that teaching staff are focused on student success and achievement in all the schools and use their work to strengthen each school's leadership and build long term capacity.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety, and discipline.

Staffing - the success of the Trust is reliant on the quality of its staff. Development, retention and succession planning is part of continuously on-going project.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Fraud and mismanagement of funds - the Trust has put an internal scrutiny plan in place to carry out checks on financial systems and records as required by the Academy Trust Handbook.

Uncertainty in pupil enrolment - The decisional confirmation of ESFA funding on additional intake of pupil for future years hinder the long-term planning strategy of the direction of the Trust.

As referred to in the Reserves Policy above for a description of the defined benefit pension scheme, there was a deficit at the balance sheet date. The UK 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.

Fundraising

As part of its work within the community, the Trust undertakes fundraising activities, for example, through cake sales, non-uniform days etc. The Trust raises funds in order to support external charities such as Macmillan Trust, UCL Hospital and Great Ormond Street Hospital, Connected International, Children in Need, Alan Senitt and other charity organisations. The Trust undertakes all such activities itself, with the help of its students and their families. In relation to fundraising, the Trustees confirm that:

- No unsolicited approaches are made to members of the public;
- No commercial participators are used
- No regularity schemes or standards are applicable;
and
- No complaints were made to the Trust during the year.

Plans for Future Periods

The academy trust will plan for a modest growth in pupil number to meet the current demand of school places and continue with the development of NPS to satisfy parent demand. This will be in the context of:

- Building a strong community based on the Sikh religion;
- Providing quality education that is broad, balanced and relevant to the needs of pupils within a modern society;
- Enable all pupils to achieve their potential through the highest standards of teaching and learning;
- Developing each pupil self-esteem, confidence and independence with consideration for others and the concept of
- SEWA;
- Strengthening bonds between home, community and school;
- Providing a preparation for each pupil's entry into the wider community
- We are committed to encouraging every member of our community to invest in life-long learning and personal development.
- We continue to invest into technology and update our IT provisions across MAT to support the wider aspects of teaching and learning.
- Developments of a lecture theatre hall with additional associated classrooms. At present, the academy has a sports hall which is used for assemblies and lectures. The Sports Hall is also used for all internal and external assessments across every academic Year. This has restricted the PE activities and overall general assemblies for the students. The development of a Lecture theatre will help us secure a wider and broader curriculum and activities for our students.

GURU NANAK SIKH ACADEMY LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods (continued)

- The re-opening of Nursery - Application and Business Plan is in process for September 2024. We are consistently working with our local authority to find solutions and increase our Reception intake for NPS and GNSA (Guru Nanak Sikh Academy). It was noted by The Board that in recent years our reception intake has declined significantly, and closing Nursery provision was a major factor. Opening a Nursery once again will help us increase our intake and secure appropriate resources for our students.
- Boiler Replacement - We have successfully secured the CIF funding for replacement of our boiler systems which is £586K. The Heating in A Block had stopped working which had a major impact on the Health and Safety of all staff and students with Block A. The work is in progress which is expected to be completed during the academic year 2023.24.
- Fire Doors replacement (where replacement parts not available) - This is needed as is imperative for Fire and Security safety of all staff and students.
- We are planning for further development of the Vocational Block to accommodate Post 16 provision. We have seen a rise in Post 16 applications in recent years, which requires appropriate space.
- Air Conditioning in the whole Academy -The Academy for Health and Safety of all staff and students need the Air conditioning. This is a major concern for staff as it gets too hot during summer periods. This potentially is a high-end capital expenditure.
- Renovation of the damaged flooring in the Religious Studies block.
- Primary Security Gates with Intercom for Safeguarding: This is required as there is a need to restrict access and have a safer and secure entrance and exit for Primary.
- The Trust staff and students are also working to plan and create a Forest School in the playing fields.

There are plans to review existing learning spaces to ensure best use is made for them to support teaching and learning across the Trust.

Auditor

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.

The Trustees' report, incorporating a strategic report, was approved by order of the board of directors, as the company directors, on22/12/2023.... and signed on its behalf by:


Arun Thakur (Dec 22, 2023 13:43 GMT)

Mr A Thakur

Chair of Trustees

GURU NANAK SIKH ACADEMY LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Guru Nanak Sikh Academy Limited 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance in performing their duties.

The Board of Trustees has delegated the day-to-day responsibility to the Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Guru Nanak Sikh Academy Limited and the Secretary of State for Education. The Executive Principal is 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 5 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr A Thakur (Chair of Trustees)	5	5
Mr A Ghakal (Vice-Chair of Trustees)	3	5
Mr J Sidhu (CEO/Executive Principal & Accounting Officer)	5	5
Mr P Ryerson	5	5
Dr P Bhullar (Resigned 21 September 2023)	5	5
Mrs G Sidhu (Resigned 21 September 2023)	5	5
Mr C Gringas (Resigned 30 January 2023)	0	2
Mr D Lawrence	5	5
Mr S Randhawa (Parent Trustee)	3	5
Mr P Matoo (Appointed 28 September 2023)	0	0
Mr G Singh (Parent Trustee) (Appointed 1 February 2023)	3	5
Ms A Tamber (Appointed 28 September 2023)	0	0
Mr J Khangura (Resigned 21 September 2023)	5	5

Conflicts of interest

During the year the academy trust has continued to maintain an up to date and complete register of interests utilising this to monitor and manage any possible conflicts of interest.

To ensure good governance is in place, where necessary Governors and Key management personnel are required to absent themselves where discussions and decisions are being made that would otherwise result in a conflict of interest.

GURU NANAK SIKH ACADEMY LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Governance reviews

The board reviews its practice regularly, asking itself what impact it is having on the school

- Additionally at the start of the academic year the board reviews its practice and the impact it has had the previous year at the September strategic planning morning for governors
- The trust has conducted an internal review of its practice but will also seek to enhance its work in the next academic year but carrying out an external review of governance.

Standards and Curriculum

Board of Trustees	Meetings attended	Out of a possible
Mr P. Ryerson(Chair)	2	2
Mrs G Sidhu	2	2
Mr Sukh Sing	2	2
Mr A Thakur	2	2

Finance and Audit Committee

Board of Trustees	Meetings attended	Out of a possible
Mr A. Ghakal (Chair)	2	4
Dr P. Bhullar	4	4
Mr J. Sidhu (AO)	4	4
Mr D. Lawrence	3	4
Mr J Khangura	4	4

The board of Trustees are supported by Judicium external professional clerking services to help and support the board in ensuring compliance is met at all meetings which also incorporates a skills audit.

The quality of information provided in all reports has allowed board members to scrutinise and to ensure that the Trust is compliant in its operating procedures with effective outcomes of providing quality education.

Management accounts produced allow the Chair of the Trust and the Accounting Officer to ensure that financial compliance is adhered to by monitoring and tracking funds across the Trust.

Review of value for money

As accounting officer, the Executive Principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

GURU NANAK SIKH ACADEMY LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- Operating tight budgetary controls
- Re-tendering as significant contracts come to an end
- Looking for efficiency savings when staff leave rather than automatically replacing
- Outsourcing when appropriate and when cost effective
- Driving the use of new technology, subject to evidence of it being more cost-effective

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 Guru Nanak Sikh Academy Limited for the current year 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 significant risks that has been in place during current year 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. 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 and Personnel Committee 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
- identification and management of risks

The Board of Trustees has considered the need for a specific internal scrutiny function in accordance with Academy Trust Handbook. School Business Services and A J Bennewith & Co provided the internal scrutiny services for the year ended 31 August 2023. The system checks carried out in the current period included:

- financial procedures
- governance, audit and risk
- risk management and register
- review of payroll processes
- IT processes

The internal scrutineer reports to the board of Trustees, through the audit committee, on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities and prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

GURU NANAK SIKH ACADEMY LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Improving Educational Performance and Result

We are working in the following areas to continuously improving our educational performance and results:

- taking a range of measures to increase the educational standard and levels of attainment for all pupils achieving significantly higher grade than those achieved nationally;
- increasing the quality of teaching across the Trust by ensuring teachers set challenging target for pupils in English, Science and Mathematics;
- ensuring teachers provide feedback to pupils that motivate their learning experience with the involvement of parent in the pupils' education;
- provide wider use of mobile IT devices to further improve and accelerate the pupils' education and learning experiences.

Income Generation

We continue to explore further options, as outlined below, in order to generate further income to invest in our pupils across the Trust:

- explore activities to generate income from letting out the school premises and facilities;
- develop teacher placement programmes that generate additional income;
- surplus money is managed and invested in interest-bearing account to obtain interest income;
- successful bidding for capital improvement fund in order to fund various essential capital ventures including upgrading the fencing of the Trust grounds, increasing the security environment and safety of pupils.

Review of effectiveness

As accounting officer the Executive Principal 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 scrutiny providers;
- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- The school resource management self-assessment tool.

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

Approved by order of the board of directors on 22/12/2023 and signed on its behalf by:


Arun Thakur (Dec 22, 2023 13:43 GMT)

Mr A Thakur
Chair of Trustees


Jaskamal Sidhu (Dec 22, 2023 13:45 GMT)

Mr J Sidhu
CEO/Executive Principal & Accounting Officer

GURU NANAK SIKH ACADEMY LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Guru Nanak Sikh Academy Limited, I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022-23.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2022-23.

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 directors and ESFA.

Jaskamal Sidhu

Jaskamal Sidhu (Dec 22, 2023 13:45 GMT)

Mr J Sidhu
Accounting Officer

22/12/2023.....

GURU NANAK SIKH ACADEMY LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Guru Nanak Sikh Academy Limited for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of directors on ^{22/12/2023}..... and signed on its behalf by:


Arun Thakur (Dec 22, 2023 13:43 GMT)

Mr A Thakur
Chair of Trustees

GURU NANAK SIKH ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GURU NANAK SIKH ACADEMY LIMITED

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Guru Nanak Sikh Academy Limited for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including 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), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the accounts themselves. 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.

GURU NANAK SIKH ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GURU NANAK SIKH ACADEMY LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Trustees are responsible for assessing the academy trust'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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

GURU NANAK SIKH ACADEMY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GURU NANAK SIKH ACADEMY LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Extent to which the audit was capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy trust through discussions with trustees and management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities Act 2011, the Academy Trust Handbook 2022, the Academies Accounts Direction 2022 to 2023, safeguarding prevent/protect, Ofsted, taxation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of the Board of trustees;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the ESFA and HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

GURU NANAK SIKH ACADEMY LIMITED

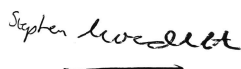
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GURU NANAK SIKH ACADEMY LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 auditor's 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.



Stephen Meredith BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Alliotts LLP

22/12/2023

.....

Chartered Accountants
Statutory Auditor

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

GURU NANAK SIKH ACADEMY LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GURU NANAK SIKH ACADEMY LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 21 December 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Guru Nanak Sikh Academy Limited during the period 1 September 2022 to 31 August 2023 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 Guru Nanak Sikh Academy Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Guru Nanak Sikh Academy Limited and 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 Guru Nanak Sikh Academy Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Guru Nanak Sikh Academy Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Guru Nanak Sikh Academy Limited's funding agreement with the Secretary of State for Education dated 29 August 2013 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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 trust's income and expenditure.

GURU NANAK SIKH ACADEMY LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GURU NANAK SIKH ACADEMY LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The work undertaken to draw to our conclusion includes:

- Analytical review of the academy trust's general activities to ensure that they are within the academy trust's framework of authorities,
- Consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance,
- Review of the general control environment for the Academy trust on financial statements and on regularity,
- Sample testing of expenditure transactions to ensure the activity is permissible within the Academy trusts framework of authority,
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the Academy trust's delegated authorities,
- Formal representations obtained from the Board of Directors and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework,
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised,
- Review of credit card expenditure for any indication of personal use by staff, Executive Principle or Directors,
- Review of specific terms of grant funding within the funding agreement,
- Review of related party transactions for connections with the Chief Executive or Directors,
- Review of income received in accordance with the activities permitted within the Academy trust's charitable objectives.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Alliotts LLP

Dated: 22/12/2023
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GURU NANAK SIKH ACADEMY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and capital grants	3	4,756	-	666,671	671,427
Charitable activities:					
- Funding for educational operations	4	75,172	11,229,696	-	11,304,868
Other trading activities	5	69,127	-	-	69,127
Investments	6	1,758	-	-	1,758
Total		<u>150,813</u>	<u>11,229,696</u>	<u>666,671</u>	<u>12,047,180</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	143,187	10,874,807	319,230	11,337,224
Total	7	<u>143,187</u>	<u>10,874,807</u>	<u>319,230</u>	<u>11,337,224</u>
Net income/(expenditure)		7,626	354,889	347,441	709,956
Transfers between funds	18	-	(112,451)	112,451	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	875,000	-	875,000
Net movement in funds		<u>7,626</u>	<u>1,117,438</u>	<u>459,892</u>	<u>1,584,956</u>
Reconciliation of funds					
Total funds brought forward		<u>939,721</u>	<u>(980,622)</u>	<u>9,456,601</u>	<u>9,415,700</u>
Total funds carried forward		<u>947,347</u>	<u>136,816</u>	<u>9,916,493</u>	<u>11,000,656</u>

GURU NANAK SIKH ACADEMY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds £	General £	Fixed asset £	2022 £
Income and endowments from:					
Donations and capital grants	3	8,564	-	33,976	42,540
Charitable activities:					
- Funding for educational operations	4	-	9,986,478	-	9,986,478
Other trading activities	5	31,489	-	-	31,489
Investments	6	297	-	-	297
Total		40,350	9,986,478	33,976	10,060,804
Expenditure on:					
Charitable activities:					
- Educational operations	9	-	11,040,282	327,789	11,368,071
Total	7	-	11,040,282	327,789	11,368,071
Net income/(expenditure)		40,350	(1,053,804)	(293,813)	(1,307,267)
Transfers between funds	18	-	(558,942)	558,942	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	5,999,000	-	5,999,000
Net movement in funds		40,350	4,386,254	265,129	4,691,733
Reconciliation of funds					
Total funds brought forward		899,371	(5,366,876)	9,191,472	4,723,967
Total funds carried forward		939,721	(980,622)	9,456,601	9,415,700

GURU NANAK SIKH ACADEMY LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	13	9,363,640	9,456,601
Current assets			
Stock	14	3,923	1,447
Debtors	15	860,633	285,474
Cash at bank and in hand		2,087,942	1,826,711
		2,952,498	2,113,632
Current liabilities			
Creditors: amounts falling due within one year	16	(993,482)	(1,089,533)
Net current assets		1,959,016	1,024,099
Net assets excluding pension liability		11,322,656	10,480,700
Defined benefit pension scheme liability	20	(322,000)	(1,065,000)
Total net assets		11,000,656	9,415,700
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		9,916,493	9,456,601
- Restricted income funds		458,816	84,378
- Pension reserve		(322,000)	(1,065,000)
Total restricted funds		10,053,309	8,475,979
Unrestricted income funds	18	947,347	939,721
Total funds		11,000,656	9,415,700

The accounts on pages 27 to 51 were approved by the Trustees and authorised for issue on 22/12/2023 and are signed on their behalf by:

Arun Thakur
Arun Thakur (Dec 22, 2023 13:43 GMT)

Mr A Thakur
Chair of Trustees

Company registration number 07416734 (England and Wales)

GURU NANAK SIKH ACADEMY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		288,107		534,390
Cash flows from investing activities					
Dividends, interest and rents from investments		1,758		297	
Capital grants from DfE Group		197,635		33,976	
Purchase of tangible fixed assets		(226,269)		(592,918)	
Net cash used in investing activities			(26,876)		(558,645)
Net increase/(decrease) in cash and cash equivalents in the reporting period			261,231		(24,255)
Cash and cash equivalents at beginning of the year			1,826,711		1,850,966
Cash and cash equivalents at end of the year			2,087,942		1,826,711

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 are allocated on the portion of the asset's use.

All expenditure is net of VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land and buildings	2 - 10% on cost
Computer equipment	25% on cost
Fixtures, fittings & equipment	25% on cost
Motor vehicles	25% on cost

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

The school playing fields were acquired under a 125 year lease on a peppercorn basis from the London Borough of Hillingdon and have been capitalised under long leasehold property based on a Governor's valuation as at 1 November 2010. The land and buildings at the Nanaksar Primary School were acquired under an initial three year licensing agreement with the Nanaksar Thath Isher Darbar Trust at a peppercorn rent and this was extended to a 125 year lease during the year. The land and buildings have been included based on a valuation commissioned by the EFA and undertaken by Mouchel dated 31st March 2014.

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.

1.6 Liabilities

Liabilities 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 trust 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.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust 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 15. Prepayments are not financial instruments.

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 cost as detailed in note 16. 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.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer 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 net income or expenditure 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 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 trust 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 Education and Skills Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements 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 trust 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.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

(Continued)

Valuation of Local Government Pension Scheme

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 March 2022 has been used by the actuary in valuing the pension liability at 31 August 2023. 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.

Estimated useful life of tangible fixed assets

Tangible fixed assets, other than freehold land, are depreciated on a straight line basis over their estimated useful economic life. The estimated useful economic life is the expected period of time during which an asset is considered useable.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	666,671	666,671	33,976
Other donations	4,756	-	4,756	8,564
	<u>4,756</u>	<u>666,671</u>	<u>671,427</u>	<u>42,540</u>

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	9,589,410	9,589,410	8,637,233
Other DfE/ESFA grants:				
- Pupil premium	-	376,582	376,582	178,990
- Schools supplementary grant	-	328,738	328,738	-
- Mainstream schools additional grant	-	118,680	118,680	-
- Others	-	207,463	207,463	147,907
	-	10,620,873	10,620,873	8,964,130
Other government grants				
Local authority grants	-	217,466	217,466	301,753
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	85,556	85,556	7,475
Other incoming resources	75,172	305,801	380,973	713,120
Total funding	75,172	11,229,696	11,304,868	9,986,478

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Lettings income	17,627	-	17,627	19,569
Catering income	20,221	-	20,221	-
Sale of equipment and materials	4,251	-	4,251	10,722
School trips income	27,028	-	27,028	1,198
	69,127	-	69,127	31,489

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	1,758	-	1,758	297

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	6,856,532	-	455,833	7,312,365	7,336,572
- Allocated support costs	1,733,357	1,256,511	1,034,991	4,024,859	4,031,499
	<u>8,589,889</u>	<u>1,256,511</u>	<u>1,490,824</u>	<u>11,337,224</u>	<u>11,368,071</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	27,401	-
Depreciation of tangible fixed assets	319,230	327,789
Fees payable to auditor for:		
- Audit	14,650	7,500
- Other services	8,830	3,000
Net interest on defined benefit pension liability	<u>47,000</u>	<u>110,000</u>

8 Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	142,440	7,169,925	7,312,365	7,336,572
Support costs				
Educational operations	747	4,024,112	4,024,859	4,031,499
	<u>143,187</u>	<u>11,194,037</u>	<u>11,337,224</u>	<u>11,368,071</u>
			2023 £	2022 £
Analysis of support costs				
Support staff costs			1,781,017	1,910,314
Depreciation			319,230	327,789
Technology costs			94,518	85,592
Premises costs			937,281	624,506
Legal costs			242,514	180,185
Other support costs			624,574	879,390
Governance costs			25,725	23,723
			<u>4,024,859</u>	<u>4,031,499</u>

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	6,267,712	6,097,016
Social security costs	634,738	629,152
Pension costs	1,445,024	2,013,671
Staff costs - employees	8,347,474	8,739,839
Agency staff costs	242,415	84,528
Staff development and other staff costs	8,589,889	8,824,367
	84,743	57,367
Total staff expenditure	8,674,632	8,881,734

Staff numbers

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

	2023 Number	2022 Number
Teachers	88	94
Administration and support	108	104
Management	11	14
	207	212

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	5	6
£70,001 - £80,000	4	3
£90,001- £100,000	-	2
£110,001 - £120,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £987,247 (2022: £1,134,800).

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

11 Trustees' remuneration and expenses

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

The value of Trustees' remuneration and other benefits was as follows:

J Sidhu (Executive Principal)	
Remuneration	£120,000 - £125,000 (2022: £95,000 - £100,000)
Employer's pension contributions	£25,000 - £30,000 (2022: £20,000 - £25,000)
P Bhullar (Assistant Principal)	
Remuneration	£5,000 - £10,000 (2022: £60,000 - £65,000)
Employer's pension contributions	£0 - £5,000 (2022: £10,000 - £15,000)
G Sidhu (Assistant Principal)	
Remuneration	£65,000 - £70,000 (2022: £60,000 - £65,000)
Employer's pension contributions	£15,000 - £20,000 (2022: £10,000 - £15,000)

During the period ended 31 August 2023, no trustee expenses have been incurred (2022: nil).

Other related party transactions involving the Trustees are set out within the related parties note.

12 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 trust 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.

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2022	9,800,922	958,229	407,822	2,833	11,169,806
Additions	118,587	27,015	80,667	-	226,269
At 31 August 2023	9,919,509	985,244	488,489	2,833	11,396,075
Depreciation					
At 1 September 2022	739,386	646,985	324,001	2,833	1,713,205
Charge for the year	127,446	154,266	37,518	-	319,230
At 31 August 2023	866,832	801,251	361,519	2,833	2,032,435
Net book value					
At 31 August 2023	9,052,677	183,993	126,970	-	9,363,640
At 31 August 2022	9,061,536	311,244	83,821	-	9,456,601

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

(Continued)

In 2011 the academy trust signed a 125 year lease agreement for playing fields, at a peppercorn rent, with the London Borough of Hillingdon. The cost included above is based on the directors' valuation.

The academy trust acquired the freehold interest in the land and buildings in September 2018 with funding from the Secretary of State for Education for Education and the support of Nanaksar Thath Isher Darbar, which was the original sponsor of the academy trust. Both the Trust and The Secretary of State for Education have registered legal charges over the property.

14 Stock

	2023 £	2022 £
Catering stock	3,923	1,447

15 Debtors

	2023 £	2022 £
Trade debtors	13,378	15,818
VAT recoverable	110,016	126,916
Other debtors	15,977	10,945
Prepayments and accrued income	721,262	131,795
	860,633	285,474

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	328,403	374,584
Other taxation and social security	150,595	157,021
ESFA creditors	1,010	23,225
Other creditors	106,837	91,442
Accruals and deferred income	406,637	443,261
	993,482	1,089,533

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	285,742	341,592
Deferred income at 1 September 2022	341,592	22,930
Released from previous years	(341,592)	(22,930)
Resources deferred in the year	285,742	341,592
Deferred income at 31 August 2023	285,742	341,592

At the balance sheet date the academy trust was holding funds received in advance from the ESFA and DfE for rates relief, mentoring and UIFSM grants.

18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	84,378	9,589,410	(9,102,521)	(112,451)	458,816
Pupil premium	-	376,582	(376,582)	-	-
Other DfE/ESFA COVID-19 funding	-	85,556	(85,556)	-	-
Other DfE/ESFA grants	-	654,881	(654,881)	-	-
Other government grants	-	217,466	(217,466)	-	-
Other restricted funds	-	305,801	(305,801)	-	-
Pension reserve	(1,065,000)	-	(132,000)	875,000	(322,000)
	(980,622)	11,229,696	(10,874,807)	762,549	136,816
Restricted fixed asset funds					
Inherited on conversion	5,798,200	-	(119,840)	-	5,678,360
DfE group capital grants	668,893	666,671	(100,297)	112,451	1,347,718
Capital expenditure from GAG	342,808	-	(99,093)	-	243,715
Private sector capital sponsorship	2,646,700	-	-	-	2,646,700
	9,456,601	666,671	(319,230)	112,451	9,916,493
Total restricted funds	8,475,979	11,896,367	(11,194,037)	875,000	10,053,309
Unrestricted funds					
General funds	939,721	150,813	(143,187)	-	947,347
Total funds	9,415,700	12,047,180	(11,337,224)	875,000	11,000,656

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

General Annual Grant: This fund is for the purpose of running the academy trust in accordance with the Funding Agreement with the Secretary of State and along guidelines as set out in the Academies Financial Handbook.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DfE/ESFA grants: This fund has also arisen from funding received from the Department for Education and the Education and Skills Funding Agency for the furtherance of the academy trust's activities that are not funded through the General Annual Grant.

Other government grants: This fund has also arisen from funding received for the furtherance of the academy trust's activities that are not funded through the General Annual Grant.

Other restricted fund: This restricted fund has arisen from other income that the academy trust has received. The monies have to be used for the benefit of the academy trust but there are no restrictions on when these monies can be spent.

Pension reserve: This liability has arisen from the Local Government Pension Scheme, which was inherited by the academy trust on conversion. See note 20 for further details on this liability.

Restricted fixed asset funds: These funds have arisen from fixed assets inherited upon conversion and from the subsequent purchases of new assets for use by the academy trust. All assets held are specifically for the use of the academy trust.

Unrestricted funds: These have arisen from activities carried out by the academy trust for raising funds and are unrelated to any form of government assistance and therefore the academy trust can choose to spend it however it chooses.

The current surplus of funds has been earmarked for various future projects as detailed in the Directors Report, Financial Review section.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	931,124	8,637,233	(8,925,037)	(558,942)	84,378
Pupil premium	-	178,990	(178,990)	-	-
Other DfE/ESFA COVID-19 funding	-	7,475	(7,475)	-	-
Other DfE/ESFA grants	-	147,907	(147,907)	-	-
Other government grants	-	301,753	(301,753)	-	-
Other restricted funds	-	713,120	(713,120)	-	-
Pension reserve	(6,298,000)	-	(766,000)	5,999,000	(1,065,000)
	<u>(5,366,876)</u>	<u>9,986,478</u>	<u>(11,040,282)</u>	<u>5,440,058</u>	<u>(980,622)</u>
Restricted fixed asset funds					
Inherited on conversion	5,798,200	-	-	-	5,798,200
DfE group capital grants	403,764	33,976	(327,789)	558,942	668,893
Capital expenditure from GAG	342,808	-	-	-	342,808
Private sector capital sponsorship	2,646,700	-	-	-	2,646,700
	<u>9,191,472</u>	<u>33,976</u>	<u>(327,789)</u>	<u>558,942</u>	<u>9,456,601</u>
Total restricted funds	<u>3,824,596</u>	<u>10,020,454</u>	<u>(11,368,071)</u>	<u>5,999,000</u>	<u>8,475,979</u>
Unrestricted funds					
General funds	<u>899,371</u>	<u>40,350</u>	<u>-</u>	<u>-</u>	<u>939,721</u>
Total funds	<u>4,723,967</u>	<u>10,060,804</u>	<u>(11,368,071)</u>	<u>5,999,000</u>	<u>9,415,700</u>

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

Total funds analysis by academy

	2023 £	2022 £
Fund balances at 31 August 2023 were allocated as follows:		
Guru Nanak Sikh Academy	1,150,892	681,939
Nanaksar Primary School	255,271	342,160
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	1,406,163	1,024,099
	<hr/>	<hr/>
Restricted fixed asset fund	9,916,493	9,456,601
Pension reserve	(322,000)	(1,065,000)
	<hr/>	<hr/>
Total funds	<u>11,000,656</u>	<u>9,415,700</u>

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Guru Nanak Sikh Academy	6,402,674	1,420,265	402,299	1,697,138	9,922,376	9,421,273
Nanaksar Primary School	590,836	175,858	16,447	180,477	963,618	853,009
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,993,510	1,596,123	418,746	1,877,615	10,885,994	10,274,282
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	9,363,640	9,363,640
Current assets	947,347	1,452,298	552,853	2,952,498
Current liabilities	-	(993,482)	-	(993,482)
Pension scheme liability	-	(322,000)	-	(322,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	<u>947,347</u>	<u>136,816</u>	<u>9,916,493</u>	<u>11,000,656</u>

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	9,456,601	9,456,601
Current assets	939,721	1,173,911	-	2,113,632
Current liabilities	-	(1,089,533)	-	(1,089,533)
Pension scheme liability	-	(1,065,000)	-	(1,065,000)
Total net assets	939,721	(980,622)	9,456,601	9,415,700

20 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by The London Borough of Hillingdon. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and that of the LGPS related to the period ended 31 March 2022.

There were £nil outstanding pension contributions at the end of the financial year (2022: nil).

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions 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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,600 million giving a notional past service deficit of £22,000 million
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £925,974 (2022: £940,856).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21.8% for employers and 5.5 - 12.5% 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	434,000	397,000
Employees' contributions	122,000	112,000
	<hr/>	<hr/>
Total contributions	556,000	509,000
	<hr/>	<hr/>
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.45	3.35
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
	<hr/>	<hr/>

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

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

	2023 Years	2022 Years
Retiring today		
- Males	20.9	22.1
- Females	24.6	24.5
Retiring in 20 years		
- Males	21.9	22.8
- Females	25.5	25.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023 £	2022 £
Discount rate + 0.1%	(164,000)	(185,000)
Discount rate - 0.1%	164,000	185,000
Mortality assumption + 1 year	262,000	289,000
Mortality assumption - 1 year	(262,000)	(289,000)
CPI rate + 0.1%	151,000	172,000
CPI rate - 0.1%	(151,000)	(172,000)

Defined benefit pension scheme net liability

	2023 £	2022 £
Scheme assets	6,224,000	6,154,000
Scheme obligations	(6,546,000)	(7,219,000)
Net liability	(322,000)	(1,065,000)

The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	3,112,000	2,892,000
Bonds	1,805,000	1,723,000
Cash	311,000	308,000
Property	996,000	1,231,000
Total market value of assets	6,224,000	6,154,000

The actual return on scheme assets was £(414,000) (2022: £(342,000)).

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	519,000	1,053,000
Interest income	(272,000)	(103,000)
Interest cost	319,000	213,000
	<hr/>	<hr/>
Total operating charge	566,000	1,163,000
	<hr/>	<hr/>

Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	7,219,000	12,348,000
Current service cost	519,000	1,053,000
Interest cost	319,000	213,000
Employee contributions	122,000	112,000
Actuarial gain	(1,561,000)	(6,444,000)
Benefits paid	(72,000)	(63,000)
	<hr/>	<hr/>
At 31 August 2023	6,546,000	7,219,000
	<hr/>	<hr/>

Changes in the fair value of the academy trust's share of scheme assets	2023 £	2022 £
At 1 September 2022	6,154,000	6,050,000
Interest income	272,000	103,000
Actuarial loss	(686,000)	(445,000)
Employer contributions	434,000	397,000
Employee contributions	122,000	112,000
Benefits paid	(72,000)	(63,000)
	<hr/>	<hr/>
At 31 August 2023	6,224,000	6,154,000
	<hr/>	<hr/>

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

21 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		709,956	(1,307,267)
Adjusted for:			
Capital grants from DfE and other capital income		(666,671)	(33,976)
Investment income receivable	6	(1,758)	(297)
Defined benefit pension costs less contributions payable	20	85,000	656,000
Defined benefit pension scheme finance cost	20	47,000	110,000
Depreciation of tangible fixed assets		319,230	327,789
(Increase)/decrease in stocks		(2,476)	1,542
(Increase) in debtors		(106,123)	(33,533)
(Decrease)/increase in creditors		(96,051)	814,132
Net cash provided by operating activities		288,107	534,390

22 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	1,826,711	261,231	2,087,942

23 Long-term commitments

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	27,401	27,155
Amounts due in two and five years	24,621	53,761
	52,022	80,916

24 Capital commitments

The Trust has successfully secured CIF funding to replace the boilers in our main through school (GNSA). The income associated with this funding has been entirely recognized during the financial year ended on August 31, 2023, amounting to £586,296. Over the same period, we have utilized £33,448 from this funding for the intended boiler replacement project. As we progress into the financial year 2023-24, the remaining £562,848 from the CIF funding is earmarked for further expenditure, ensuring the completion of the boiler replacement project in adherence to our planned timeline and budget.

GURU NANAK SIKH ACADEMY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 11.

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