
GURU NANAK SIKH ACADEMY LIMITED

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 19
Statement of regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditors' report on the financial statements	22 - 25
Independent reporting accountant's report on regularity	26 - 27
Statement of financial activities incorporating income and expenditure account	28
Balance sheet	29
Statement of cash flows	30
Notes to the financial statements	31 - 58

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr Gurvinder Ahluwalia Mr Ranjit Sandhu Mr Sinnathamby Anparasan Mr Gurdeep Singh Jasbir (appointed 26 September 2025)
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, Trustee (resigned 31 August 2025) Mr D Lawrence, Trustee Mr S Randhawa, Parent Trustee Mr P K Matoo, Trustee Mr G Singh, Parent Trustee (resigned 31 August 2025) Ms A K Tamber, Trustee Mr Loveleen Gupta, Trustee (appointed 1 September 2025)
Company registration number:	07416734
Company name	Guru Nanak Sikh Academy Limited
Principal and registered office	Springfield Road Hayes UB4 0LT
Company secretary	Dr P. Bhullar
Senior management team	Mr J Sidhu, Executive Principal of Guru Nanak Sikh Multi Academy Trust (MAT) Mr M K Baig, Chief Financial Officer of Guru Nanak Sikh Multi Academy Trust (MAT) Mrs D Soneji, Vice Principal of Guru Nanak Sikh Academy - Secondary Mr T Perryman, Assistant Principal of Guru Nanak Sikh Academy - Secondary Mrs G Sidhu, Assistant Principal of Guru Nanak Sikh Academy - Secondary Mrs B Curtis, Assistant Principal of Guru Nanak Sikh Academy - Secondary Dr P Bhullar, Assistant Principal of Guru Nanak Sikh Academy - Secondary Mr J Perkins, Assistant Principal of Guru Nanak Sikh Academy - Secondary Mr P Soneji, Assistant Principal of Guru Nanak Sikh Academy - Secondary Ms A O'Leary, Vice Principal of Guru Nanak Sikh Academy - Primary School Ms A Chatur, Vice Principal of Nanaksar Primary School
Independent auditors	Eureka Accountants Limited Chartered Certified Accountants Statutory Auditors 63 Lancing Road London IG2 7DQ

GURU NANAK SIKH ACADEMY LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Bankers

Lloyds Bank Plc
25 Gresham Street
London
EC2V 7HN

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Metro Bank
One Southampton Row
London
WC1B 5HA

GURU NANAK SIKH ACADEMY LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2024 to 31 August 2025. 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 Nanaksar Primary School (NPS) in Hayes. With a combined pupil capacity of 2230, these academies boasted a student enrolment of 1767 as reported in the October 2024 census.

Structure, governance and management

a. 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 Personnel committee, Standards and Curriculum committee and Audit and Risk committee. However, effective September 2025, the Standards and Curriculum Committee has been superseded by a dedicated Local Governing Body (LGB) at each school.

Details of the Trustees who served during the year, and to the date these accounts approved are included in the Reference and administrative details on page 1.

b. 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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

c. 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.

d. 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. However, each school in the Trust have now got their LGB from September 2025. All Trustees give of their time freely and receive no remuneration other than reasonable expenses, except those Trustees who are employees of the Trust.

e. Policies 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.

f. Organisational structure

Guru Nanak Sikh Academy Limited supports all its academies through a Board of Trustees, responsible for setting strategies and policies and ensuring their implementation across the organization. The Board establishes the vision, mission, and values of the Academy Trust and holds senior staff accountable for the success of both the Trust and its individual schools.

To support this, the Trustees have established appropriate sub-committees for the Trust, as outlined below. The Trustees see their role as approving the strategic direction and objectives of the Trust and monitoring its progress toward these goals. The terms of reference and remit for these committees are reviewed and approved annually by the Board of Trustees. Alongside the terms of reference, the Board operates under a delegated scheme of authority to ensure effective and efficient decision-making. Academies within the Trust are further supported by senior management teams, who provide academy improvement and corporate services.

The Board of Trustees receives reports, including policies, from its committees for ratification and monitors their activities. Most importantly, the Board is responsible for setting overall policy, approving the annual School Development Plan, and adopting the consolidated budget. It ensures financial controls and manages the Trust's finances in line with the provisions of the Academy Trust Handbook, which outlines the requirements for financial management. Trustees oversee the Trust's progress through budget monitoring and strategic development plans, and make key decisions regarding the direction of the schools, capital expenditures, and senior personnel appointments. The Board meets at least three times a year to closely monitor the academic performance of all academies within the Trust.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

f. Organisational structure (continued)

The Trustees establish standards of conduct and values, monitor performance and progress toward objectives, and ensure that improvement plans are implemented. They oversee risk management by identifying, assessing, and developing systems to mitigate major risks affecting the Academy Trust. The Trustees review the Risk Register at least annually. Additionally, they ensure that the Academy Trust and its academies operate in full compliance with data protection regulations and applicable laws.

The Board currently it has established following sub-committees:

- 1. The Finance and personnel committee** meets at least three times per year and is responsible for financial management and setting of budgets including staff levels, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements. 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. Audit and risk committee** meets at least three times per year and is responsible for overseeing audit and risk management processes, including financial, cybersecurity, and health and safety risks. This is achieved through regular review of the risk register together with internal and external audits.
- 3. The Standards & Curriculum Committee** meets at least three times per year and is responsible for setting standards and monitoring the performance of pupils and staff across the Trust. It ensures the delivery of a broad and balanced curriculum and reviews and approves sections of the School Development Plan related to the curriculum. The committee intervenes when necessary, ensuring that the regular and special needs of all children are met in line with the Trust's goals for every child. This committee has now been replaced by the Local Governing Body for each school from September 2025.

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 and learning 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.

g. Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Trust include the Executive Principal, who is also a Director, and the senior management team, as listed on page 1. Except for the Executive Principal, who serves on the Board as a Trust employee in accordance with the Articles of Association, no Trustees receive remuneration for their duties.

The Finance and Personnel Committee reviews and approves the pay and remuneration of the senior management team annually, following the same process as for all staff.

h. Related parties and other connected charities and organisations

No payments were made to any related parties during the year, except as otherwise disclosed in these accounts, such as the remuneration of the Executive Principal and reimbursements of expenses to the Trustees.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities

a. Objects and aims

Vision Statement of the Multi Academy Trust

We seek to provide happy and outward-looking schools in our Trust, within which all the pupils work hard to realise their full potential, intellectually, morally, physically, personally, and socially in which the Sikh religion is fostered.

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.

b. Objectives, Strategies and Activities

Objects and aims

The Trust's objects are specifically restricted 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") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").

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.

Main activities

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.

GURU NANAK SIKH ACADEMY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

a. Objectives, Strategies and Activities (continued)

Strategies

The Trust ensures that pupils benefit from high-quality education, as demonstrated by consistently strong progress and achievement levels year after year. Students develop into independent learners who can tackle challenges effectively. They are prepared to become active citizens, engaging in public and civic life through participation in activities such as the School Council and taking on responsible roles as prefects and ambassadors for their schools. Pupils are educated about British values and how to uphold them as responsible citizens. They gain awareness of their local community and broader perspectives through various educational visits.

Parents are considered essential partners in the learning process, with strong home-school partnerships actively fostering and maximizing student learning.

All staff have opportunities to enhance their expertise by collaborating with others. There is a robust professional development program for unqualified teachers through the Assessment Only route.

Trustees provide both challenge and support in their role as critical friends. Our strategic vision is encapsulated in the acronym EASi, which stands for Evidence-Based Research approach, fostering Autonomy, creating a happy and Safe environment, and promoting Innovation and Creativity in our practices. This framework has been a driving force behind our success and daily operations in our schools.

Under the EASi approach, our teachers are actively engaged in the EFF program, which emphasizes reflective practice and evidence-based methodologies. This program empowers them to pursue continuous professional development, staying current with the latest research and best practices in education. Ultimately, this enhances their teaching methodologies and improves student outcomes.

We conduct regular safeguarding audits to reinforce our commitment to providing a safe and secure environment for all members of our school community, ensuring the well-being and protection of our students.

Future Projects and Initiatives

As we continue to aspire to provide the best possible learning experience, we are committed to investing in various capital projects in the foreseeable future. These initiatives aim to enhance our infrastructure and learning environment:

1. **Firewall Upgrade:** Upgrading our firewall is a critical step to ensure the safeguarding of IT systems and data security. This foundational improvement will enable the successful implementation of other IT enhancements.
2. **WiFi Provision Enhancement:** We are actively planning to upgrade the WiFi infrastructure across our premises. This enhancement is essential to support the introduction of a one-to-one device approach in classrooms, aligning with modern technology to improve the overall learning experience. The project is planned to be implemented during the year 2025-26 at an estimated cost of £98K.
3. **Playground Equipment for Primary Pupils:** To further enhance PE facilities for our Primary pupils, we plan to invest in new playground equipment. This initiative will promote active engagement and physical development among younger students.
4. **LED Upgrade for Astro Turf Lights:** We are also planning to upgrade the Astro Turf lights to LED technology. This improvement will enhance energy efficiency and contribute to operational cost savings.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Future Projects and Initiatives (continued)

7. **Primary Security Gates:** We plan to enhance safeguarding measures at our primary schools by installing secure gates equipped with an intercom system. This will ensure a safer and more controlled entry and exit process for everyone on campus.
8. **Seeking CIF funding:** The Trust is scheduled to undertake significant long-term capital expenditure focused on site maintenance and statutory safety requirements: emergency lighting, window replacement, and fire door upgrades. Given the magnitude of the required investment, the Trust's strategy is to secure external funding through the Condition Improvement Fund (CIF), and applications are being prepared for submission in due course.
9. **Voluntary Contribution Scheme (GVCS):** Following approval from the Board of Trustees, we successfully launched the GNSMAT Voluntary Contribution Scheme (GVCS) across the Multi-Academy Trust. This vital initiative is designed to generate supplementary funds to fund capital projects, enhance educational resources, extracurricular activities, and student welfare programs, directly enriching the learning experience in all our academies. The scheme remains entirely voluntary for parents and guardians. Through this and other fundraising efforts launched during the 2024–25 academic year, the Trust successfully raised approximately £20K in gross donations. The GVCS is established as a continuous program, and we have developed diverse platforms to facilitate generous contributions toward the Trust's educational mission.

Given the substantial investment required for these capital projects, the GVCS will play a vital role in providing additional financial support. These projects underscore our dedication to creating a secure, innovative, and enriching educational environment for all students.

Public Benefit

The Trust remains committed to serving the local community by making its facilities accessible for after-school and weekend clubs, student courses, parent workshops and community lettings for the premises. Recognizing the increasing demand for these resources, we understand their significant role in supporting the mental health and well-being of the community. This year, we achieved outstanding results, generating a gross lettings income of £78K, which has positively strengthened our reserves. Furthermore, we have upgraded our letting operations by implementing an online portal equipped with enhanced marketing tools, positioning us to project continued growth in lettings income in the near future.

Strategic report

Achievements 2024-25:

This report summarises Guru Nanak Sikh Academy's key achievements and progress during the 2024-2025 academic year, highlighting student outcomes and initiatives aligned with national educational standards.

Key Stage 5 Performance

The Academy demonstrates strong academic performance at Key Stage 4. 31% of entries achieved A*-B grades, with an overall pass rate of 92%. Students have successfully progressed to leading higher education institutions, including the University of Cambridge, University of Warwick, and University College London. Notably, students have excelled across a diverse range of subjects, including Applied Science, Business, Computing, Geography, and Punjabi, demonstrating the school's commitment to both academic and vocational pathways. Excellent results were also attained in Biology, Chemistry and Mathematics.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Strategic report (continued)

Key Stage 2 Performance

The Academy's performance at the end of Key Stage 2 is significantly above national averages. In the combined measure for Reading, Writing, and Maths, the Academy achieved an 80% pass rate at the Expected Standard (EXS), exceeding the 2025 national average of 62% by 18 percentage points. At the Greater Depth Standard (GDS), the Academy's attainment was 13%, 5 percentage points above the national average of 8%. This underscores the Academy's success in enabling pupils to reach their full potential.

Phonics Screening Check

The GNS Academy's performance in the Phonics Screening Check is also significantly above the national average. The school achieved a pass rate of 88%, an improvement of 7 percentage points over the 2025 national average of 81%.

Personal Development and Enrichment

Guru Nanak Sikh Academy has been awarded the Excellence in Personal Development Award, a testament to the school's commitment to fostering holistic pupil development. The school also successfully implemented the Duke of Edinburgh Award scheme at both Bronze and Silver levels, providing pupils with opportunities for personal growth, teamwork, and leadership development.

Teaching, Learning, and Assessment

The Academy, in collaboration with MAT leaders, has implemented a comprehensive programme to strengthen teaching, learning, and assessment practises. Key initiatives include:

- **Collaboration through the EFA Programme:** Continued partnership between staff and leaders within the MAT to ensure shared expertise and a collective approach to raising standards.
- **Establishment of Teaching and Learning Communities (TLCs):** Creation of 22 TLCs, led by teacher volunteers, to foster professional dialogue, peer learning, and collaborative reflection. 16 planned TLC sessions focused on enhancing pupil outcomes by reviewing, refining, and embedding effective Assessment for Learning (AfL) strategies.
- **Introduction of Pit Stops:** Replacement of traditional Learning Walks with "Pit Stops," a developmental, collaborative model used to monitor and evaluate teaching and learning across all phases and departments. Departments were provided with a clear action plan and dedicated time to reflect collectively on the outcomes, ensuring ownership and consistent follow-through.

Conclusion

Guru Nanak Sikh Academy's performance in 2024-2025 demonstrates a commitment to academic excellence, personal development, and continuous improvement. The Academy's above-average student outcomes, coupled with its focus on enhancing teaching and learning practises, position it as a high-performing institution dedicated to the success of all pupils.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Governance (continued)

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 Department for Education (DfE). The grants received from the DfE are restricted to educational purposes. The level of such grants during the year to 31 August 2025 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 28 shows a deficit for the year before actuarial gains or losses on the Local Government Pension Scheme of £123,341 (2024: £5,618). This includes pension finance income of £12,000 (2024: £16,000 finance cost) and non-cash pension income of £83,000 (2024: £58,000) under FRS102, income from capital grants £70,092 (2024: 234,699) and the depreciation and amortisation charge £368,911 (2024: £298,367) The combined movement on unrestricted funds and restricted general funds is equivalent to the operational deficit for the year of £49,328 (2024: £615,435 surplus).

The pension reserve shows an increase in the Local Government Scheme Pension surplus to £2,357,000 (2024: £204,000). Further details are shown in note 27. 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.

a. In-year surplus / (deficit)

The Trust's free reserves, restricted and unrestricted income funds, at the end of the previous year (re-stated) stood at £1,137,543, which have increased £1,186,871, reflecting a surplus of £49,328 for the year ended 31 August 2025 (2024: £615,435 deficit).

Re-statement of opening Reserves – Prior year adjustment

As explained in Note 19, an error was discovered in the financial statements for the year ended 31 August 2022. Specifically, the transfer from Restricted General Funds to Restricted Fixed Assets was overstated by £346,816. This prior period error has been corrected as part of the current year's financial statements, and the opening reserves as of 1 September 2023, as reported in Note 20, have been restated accordingly. The opening free reserves (comprising Unrestricted and Restricted General Funds) as of 1 September 2023 were previously reported at £1,406,163 and are now corrected to £1,752,979.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Financial review (continued)

b. Reserves policy

The SORP defines reserves as 'that part of a charity's income funds that is freely available for its general purposes.' 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 Finance and Personnel 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 5% of the annual income 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 DfE funding during a period of very significant costs increases, especially in relation to staffing and energy but also in other costs. Although the Trust, is continuously looking for efficiency savings, these extra costs could have a significant impact on Trust's Reserves. The Trust had available income reserves of £1,186,871 at 31 August 2025, equating to 8.8% 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 surplus totalling to £2,357,000 (2023: £204,000). This surplus is included within restricted funds. This does not lead to an immediate realisable asset for this amount. Similarly, if there were a pension deficit included in the restricted fund this would not create an immediately liability to be settled.

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 employer's 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.

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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Financial review (continued)

c. 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 risk free Special Interest Deposit accounts which are available to draw against on a short notice.

d. Principal risks and uncertainties

The Companies Act 2006 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 Academies Trust Handbook.
- Risk Register - listing of potential risks that are identified e.g. 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 are as follows:

Financial - the Trust have considerable reliance on continued Government funding through the DfE. During the current year, 97% 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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Financial review (continued)

d. Principal risks and uncertainties (continued)

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.

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 - Uncertainty over future DfE funding for higher pupil intake undermines the Trust's ability to execute its long-term strategy.

Cost of living crises - The cost of living crisis can significantly impact MAT budgets by driving inflationary increases in expenditure. These rising costs may outpace funding from the government and other sources, potentially leading to a substantial in-year deficit and financial strain on the budget.

As referred to in the Reserves Policy above for a description of the defined benefit pension scheme, there was a surplus 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 a number of external 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 regularity schemes or standards are applicable; and
- No complaints were made to the Trust during the year.

The Trust have also implemented a Trust wide voluntary contribution scheme as outlined above to raise funds for significant capital expenditures being planned.

Plans for Future Periods

- **Building a Strong Sikh Community:** The Trust remains committed to fostering a community grounded in Sikh values, promoting inclusivity, and strengthening engagement across the Multi-Academy Trust (MAT).
- **Meeting School Place Demand:** To address the growing need for school places, we plan to maintain steady growth in pupil numbers, including the addition of another bulge class in the secondary phase for the 2026-27 academic year.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Financial review (continued)

Plans for Future Periods (continued)

- **Developing Nanaksar Primary School (NPS):** Efforts are ongoing to increase pupil enrollment at NPS, with the goal of achieving financial self-sufficiency.
- **Delivering Quality Education:** We will continue to provide a broad, balanced, and modern curriculum that meets the diverse needs of pupils in today's dynamic world.
- **Maximizing Pupil Potential:** The Trust remains dedicated to helping every pupil achieve their full potential by maintaining the highest standards of teaching and learning.
- **Fostering Confidence and Independence:** We aim to nurture self-esteem, confidence, and independence in each pupil while instilling the principle of SEWA (selfless service).
- **Strengthening Community Bonds:** Enhancing partnerships between home, school, and the wider community will remain a priority.
- **Preparing Pupils for the Future:** We are committed to equipping pupils with the skills, knowledge, and experiences necessary to excel in their transition into the wider world.
- **Encouraging Lifelong Learning:** The Trust promotes lifelong learning and personal growth among all members of our community.
- **Investing in Technology:** As part of our commitment to advancing teaching and learning, we will continue investing in IT infrastructure upgrades across the MAT, as detailed in the section on 'Future Projects.'
- **Nursery Reopening:** Plans are underway to open an outsourced Nursery provision by January 2026. This initiative aims to address the recent decline in Reception admissions, largely attributed to the Nursery's closure, and bolster enrolment while providing essential resources for our students.
- **Forest School Development:** The Trust is working with staff and students to establish a Forest School on the playing fields, promoting outdoor education and environmental awareness.
- **Optimizing Learning Spaces:** We continue to review and enhance existing learning spaces to ensure they effectively support teaching and learning across the Trust.

Auditor

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2025 and signed on its behalf by:

Arun Thakur

Mr A. Thakur
Chair of Trustees

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT

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.

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. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

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

Board of Trustees	Meetings attended	Out of a possible
Mr Arun Thakur (Chair)	4	4
Mr Amarpal Ghakal	4	4
Mr Peter Ryerson	4	4
Mr Donald Lawrence	2	4
Mr Jaskamal Sidhu	4	4
Ms Amandeep Tamber	3	4
Ms Parminder Matoo	3	4
Mr Sukhdeep Randhawa	4	4
Mr Gurdial Singh	4	4

Standards and Curriculum

Attendance during the year at meetings was as follows:

Board of Trustees	Meetings attended	Out of a possible
Mr Peter Ryerson (Chair)	3	3
Mr Sukhdeep Randhawa	2	3
Ms Amandeep Tamber	3	3

Finance and personnel

Attendance during the year at meetings was as follows:

Board of Trustees	Meetings attended	Out of a possible
Mr Donald Lawrence (Chair)	2	3
Mr Arun Thakur	3	3
Mr Sukhdeep Randhawa	3	3
Mr Jaskamal Sidhu	3	3

Audit and Risk

Attendance during the year at meetings was as follows:

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Board of Trustees	Meetings attended	Out of a possible
Mr Amarpal Gakhal (Chair)	3	3
Mr Gurdial Singh	2	3
Ms Parminder Matoo	3	3
Ms Amandeep Tamber	1	1

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 high-quality information provided in all reports enables board members to scrutinize operations and ensure that the Trust remains compliant in its procedures, ultimately contributing to effective educational outcomes.

Additionally, the monthly management accounts allow the Chair of the Trust and the Accounting Officer to maintain financial compliance by closely monitoring and tracking funds against the Trust's budget.

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 Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance 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

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees have employed School Business Services as internal auditor.

The internal scrutineers report 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.

Improving Educational Performance and Result

We are committed to continually improving educational outcomes and ensuring the best possible learning experiences for all our pupils. To achieve this, we have implemented several key strategies aimed at enhancing teaching quality, consistency, and pupil attainment across all key stages:

The internal scrutiny auditor reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the internal scrutiny auditor 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.

We confirm that both the internal scrutineer and external auditors have delivered their schedule of work as planned, provide details of any material control issues arising as a result of the work undertaken and, if relevant, describe what remedial action is being taken to rectify the issues.

Income Generation

We continue to successfully explore various options, as outlined below, to generate additional income for reinvestment in our pupils across the Trust. This strategy includes the recent launch of the Voluntary Donations scheme and the organisation of fundraising events conducted across the Trust.

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 external auditors;
- the work of the executive managers, via external providers where relevant, within the academy 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.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 10 December 2025 and signed on their behalf by:

Arun Thakur

Mr Arun Thakur
Chair of Trustees

Jaskamal sidhu

Mr Jaskamal Sidhu
Accounting Officer

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Guru Nanak Sikh Academy Limited, I have considered my responsibility to notify the academy trust Board of Trustees and the Department of Education (DfE) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2024, including responsibilities for estates safety and management.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2024.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and DfE.

Jaskamal sidhu

Mr J Sidhu
Accounting Officer
Date: 10 December 2025

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Department for Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 10 December 2025 and signed on its behalf by:

Arun Thakur

Mr A. Thakur
Chair of Trustees

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GURU
NANAK SIKH ACADEMY LIMITED**

Opinion

We have audited the financial statements of Guru Nanak Sikh Academy Limited (the 'academy trust') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

Basis for opinion

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

Conclusions relating to going concern

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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GURU NANAK SIKH ACADEMY LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the academy 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 academy trust or to cease operations, or have no realistic alternative but to do so.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GURU NANAK SIKH ACADEMY LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- we discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GURU
NANAK SIKH ACADEMY LIMITED (CONTINUED)**

Use of our report

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

Anwar Shafiq

Anwar Shafiq BSc (Hons) FCCA (Senior statutory auditor)

for and on behalf of

Eureka Accountants Limited

Chartered Certified Accountants

Statutory Auditors

63 Lancing Road

London

IG2 7DQ

10 December 2025

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GURU NANAK SIKH ACADEMY LIMITED AND THE SECRETARY OF STATE FOR EDUCATION

In accordance with the terms of our engagement letter dated 30 May 2024 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Guru Nanak Sikh Academy Limited during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes identified by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Guru Nanak Sikh Academy Limited and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Guru Nanak Sikh Academy Limited and the Secretary of State for Education 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 the Secretary of State for Education, 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 2024, 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 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 DfE. 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.

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

GURU NANAK SIKH ACADEMY LIMITED

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GURU
NANAK SIKH ACADEMY LIMITED AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Eureka Accountants

Reporting Accountant

Eureka Accountants Limited

Chartered Certified Accountants

Statutory Auditors

Date: 10 December 2025

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Donations and capital grants	3	2,399	-	90,350	92,749	237,018
Other trading activities		305,690	9,345	-	315,035	240,136
Investments	6	45,221	12,000	-	57,221	20,479
Charitable activities		-	12,960,860	-	12,960,860	12,074,086
Total income		353,310	12,982,205	90,350	13,425,865	12,571,719
Expenditure on:						
Charitable activities	8	162,202	12,990,407	396,597	13,549,206	12,577,337
Total expenditure		162,202	12,990,407	396,597	13,549,206	12,577,337
Net income/(expenditure)		191,108	(8,202)	(306,247)	(123,341)	(5,618)
Transfers between funds	20	(38,578)	-	38,578	-	-
Net movement in funds before other recognised gains/(losses)		152,530	(8,202)	(267,669)	(123,341)	(5,618)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	27	-	2,058,000	-	2,058,000	484,000
Net movement in funds		152,530	2,049,798	(267,669)	1,934,659	478,382
Reconciliation of funds:						
Total funds brought forward		790,728	550,816	10,137,494	11,479,038	11,000,656
Net movement in funds		152,530	2,049,798	(267,669)	1,934,659	478,382
Total funds carried forward		943,258	2,600,614	9,869,825	13,413,697	11,479,038

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

The notes on pages 31 to 58 form part of these financial statements.

GURU NANAK SIKH ACADEMY LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 07416734

**BALANCE SHEET
AS AT 31 AUGUST 2025**

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	9,667,697	9,931,458
		9,667,697	9,931,458
Current assets			
Stocks	16	3,626	5,244
Debtors	17	319,908	526,399
Cash at bank and in hand		1,910,798	1,753,584
		2,234,332	2,285,227
Current liabilities			
Creditors: amounts falling due within one year	18	(845,332)	(941,647)
		1,389,000	1,343,580
Total assets less current liabilities		11,056,697	11,275,038
Net assets excluding pension asset		11,056,697	11,275,038
Defined benefit pension scheme asset	27	2,357,000	204,000
Total net assets		13,413,697	11,479,038
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	20	9,869,825	10,137,494
Restricted income funds	20	243,614	346,816
Restricted funds excluding pension liability	20	10,113,439	10,484,310
Pension reserve	20	2,357,000	204,000
Total restricted funds		12,470,439	10,688,310
Unrestricted income funds		943,258	790,728
Total funds		13,413,697	11,479,038

The financial statements on pages 28 to 58 were approved by the Trustees, and authorised for issue on 10 December 2025 and are signed on their behalf, by:

Arun Thakur

Mr A Thakur
Chair of Trustees

The notes on pages 31 to 58 form part of these financial statements.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities	22	202,145	276,679
Cash flows from investing activities			
	23	(44,932)	(611,037)
Change in cash and cash equivalents in the year		157,213	(334,358)
Cash and cash equivalents at the beginning of the year		1,753,584	2,087,942
Cash and cash equivalents at the end of the year	24, 25	1,910,797	1,753,584

The notes on pages 31 to 58 form part of these financial statements

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 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 i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

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 year for which it is receivable and any abatement in respect of the year 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 year in which it is receivable (where there are no performance-related conditions) where 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 year it is receivable and to the extent the academy trust has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' 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 allocated on the portion of the asset's use.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Land and building	- 2 - 10 % on cost
Furniture and equipment	- 25% on cost
Computer 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.

The school playing fields were acquired under a 125 year lease on a peppercorn basis from a 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 Trust at a peppercorn rent and this was extended to 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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 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.

1.10 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 bases 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 17. 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 18. 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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.11 Pensions

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.

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. 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 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities 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 the funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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.

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 27, 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 pensions liability at 31 August 2025. 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.

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. Income from donations and capital grants

	Unrestricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Capital Grants	-	70,092	70,092	234,669
Other donations	2,399	20,258	22,657	2,349
	<u>2,399</u>	<u>90,350</u>	<u>92,749</u>	<u>237,018</u>
<i>Total 2024</i>	<u>2,349</u>	<u>234,669</u>	<u>237,018</u>	

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

4. Funding for the academy trust's charitable activities

	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Direct costs - Activities (Activity 1)			
DfE grants			
General annual grant (GAG)	10,840,998	10,840,998	10,299,279
Other DfE grants			
Pupil premium	266,126	266,126	254,728
Schools supplementary grant	135,946	135,946	157,226
Maintstream schools additional grant	327,790	327,790	303,929
Others	645,713	645,713	467,612
	<hr/>	<hr/>	<hr/>
	12,216,573	12,216,573	11,482,774
Other Government grants			
Local authority grants	526,630	526,630	337,516
	<hr/>	<hr/>	<hr/>
	526,630	526,630	337,516
Other incoming resources	217,657	217,657	196,441
COVID-19 additional funding (DfE)			
Other DfE/ESFA COVID-19 funding	-	-	57,355
	<hr/>	<hr/>	<hr/>
	-	-	57,355
	<hr/>	<hr/>	<hr/>
	12,960,860	12,960,860	12,074,086
	<hr/>	<hr/>	<hr/>
	12,960,860	12,960,860	12,074,086
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2024</i>	12,074,086	12,074,086	

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

5. Income from other trading activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Letting income	138,716	-	138,716	78,424
Catering income	23,256	-	23,256	12,729
Other trading income	18,806	9,345	28,151	31,104
School trips income	119,613	-	119,613	114,676
Sale of equipment and materials	5,299	-	5,299	3,203
	<u>305,690</u>	<u>9,345</u>	<u>315,035</u>	<u>240,136</u>
<i>Total 2024</i>	<u>223,411</u>	<u>16,725</u>	<u>240,136</u>	

6. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Pension income	-	12,000	12,000	-
Short term deposit	45,221	-	45,221	20,479
	<u>45,221</u>	<u>12,000</u>	<u>57,221</u>	
<i>Total 2024</i>	<u>20,479</u>	<u>-</u>	<u>20,479</u>	

7. Expenditure

	Staff Costs 2025 £	Premises 2025 £	Other 2025 £	Total 2025 £	<i>Total 2024 £</i>
Educational activities:					
Direct costs	8,772,103	-	526,415	9,298,518	8,495,303
Allocated support costs	1,897,282	1,027,731	1,325,676	4,250,689	4,082,034
	<u>10,669,385</u>	<u>1,027,731</u>	<u>1,852,091</u>	<u>13,549,207</u>	<u>12,577,337</u>
<i>Total 2024</i>	<u>9,761,531</u>	<u>1,066,200</u>	<u>1,749,606</u>	<u>12,577,337</u>	

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

7. Expenditure (continued)

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	<i>Total 2024 £</i>
Educational activities	162,202	13,387,004	13,549,206	12,577,337
<i>Total 2024</i>	128,711	12,448,626	12,577,337	

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Educational activities	9,298,518	4,250,689	13,549,207	12,577,337
<i>Total 2024</i>	8,495,303	4,082,034	12,577,337	

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	8,611,374	8,611,374	7,625,454
Educational supplies	152,577	152,577	144,203
Examination fees	148,430	148,430	156,299
Staff development	25,731	25,731	18,876
Other direct costs	199,677	199,677	158,611
Teaching supply costs	160,729	160,729	391,860
	<u>9,298,518</u>	<u>9,298,518</u>	<u>8,495,303</u>
<i>Total 2024</i>	<u>8,495,303</u>	<u>8,495,303</u>	

Analysis of support costs

	Activities 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Pension finance costs	-	-	16,000
Staff costs	1,897,280	1,897,280	1,744,220
Depreciation	368,911	368,911	298,367
Technology costs	89,307	89,307	128,765
Catering	171,390	171,390	165,619
Cleaning	388,905	388,905	377,328
Energy costs	275,622	275,622	352,328
Governance costs	18,785	18,785	19,727
Repairs and maintenance	219,166	219,166	200,251
Legal and professional fees	233,027	233,027	264,406
Rent and rates	144,038	144,038	136,293
Other support costs	420,478	420,478	378,730
Profit/loss on disposal of tangible fixed assets	23,780	23,780	-
	<u>4,250,689</u>	<u>4,250,689</u>	<u>4,082,034</u>
<i>Total 2024</i>	<u>4,082,034</u>	<u>4,082,034</u>	

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2025	<i>2024</i>
	£	£
Operating lease rentals	27,306	25,668
Depreciation of tangible fixed assets	368,910	298,367
Fees paid to auditors for:		
- audit	10,700	17,884
- other services	4,959	950
	=====	=====

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025	<i>2024</i>
	£	£
Wages and salaries	7,689,782	6,748,450
Social security costs	810,580	674,847
Pension costs	1,847,564	1,554,517
	=====	=====
	10,347,926	8,977,814
Agency staff costs	160,728	391,860
	=====	=====
	10,508,654	9,369,674
	=====	=====

b. Staff numbers

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

	2025	<i>2024</i>
	No.	No.
Teachers	93	91
Administration and support	111	112
Management	13	13
	=====	=====
	217	216
	=====	=====

c. Higher paid staff

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

11. Staff (continued)

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

	2025	2024
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	4
In the band £70,001 - £80,000	6	3
In the band £80,001 - £90,000	3	4
In the band £90,001 - £100,000	1	-
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-
	1	-

d. 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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,498,437 (2024 - £1,328,018).

12. Central services

The academy trust has provided the following central services to its academies during the year:

- Human resources support
- Finance department support
- Legal services
- Educational support services
- Clerking services
- Strategic management support

The academy trust charges for these services on the following basis:

A flat percentage of GAG income (7.4%).

The actual amounts charged during the year were as follows:

	2025	2024
	£	£
Nanaksar Primary School	83,193	-
	83,193	-

13. 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 members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2025	2024
	£	£

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

13. Trustees' remuneration and expenses (continued)

J Sidhu (Executive Principal)	Remuneration	145,000 -	<i>130,000 -</i>
		150,000	<i>135,000</i>
	Pension contributions paid	40,000 -	<i>30,000 - 35,000</i>
		45,000	

During the year ended 31 August 2025, no Trustee expenses have been incurred (2024 - £NIL).

14. Trustees' and Officers' insurance

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

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

15. Tangible fixed assets

	Land and buildings £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2024	10,488,451	228,410	500,654	1,002,061	42,684	12,262,260
Additions	-	-	52,985	107,260	-	160,245
Disposals	(25,944)	(31,317)	(30,366)	(54,706)	-	(142,333)
Transfers between classes	197,093	(197,093)	-	-	-	-
At 31 August 2025	<u>10,659,600</u>	<u>-</u>	<u>523,273</u>	<u>1,054,615</u>	<u>42,684</u>	<u>12,280,172</u>
Depreciation						
At 1 September 2024	1,024,089	-	409,331	884,586	12,796	2,330,802
Charge for the year	212,979	-	35,533	110,434	9,963	368,909
On disposals	(2,163)	-	(30,366)	(54,707)	-	(87,236)
At 31 August 2025	<u>1,234,905</u>	<u>-</u>	<u>414,498</u>	<u>940,313</u>	<u>22,759</u>	<u>2,612,475</u>
Net book value						
At 31 August 2025	<u>9,424,695</u>	<u>-</u>	<u>108,775</u>	<u>114,302</u>	<u>19,925</u>	<u>9,667,697</u>
At 31 August 2024	<u>9,464,362</u>	<u>228,410</u>	<u>91,323</u>	<u>117,475</u>	<u>29,888</u>	<u>9,931,458</u>

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

15. 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 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.

16. Stocks

	2025 £	2024 £
Finished goods and goods for resale	3,626	5,244
	<u><u>3,626</u></u>	<u><u>5,244</u></u>

17. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	63,140	56,682
Other debtors	89,594	98,970
Prepayments and accrued income	167,174	370,747
	<u><u>319,908</u></u>	<u><u>526,399</u></u>

18. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	308,969	247,331
Other taxation and social security	197,662	172,124
Other creditors	231,614	385,743
Accruals and deferred income	107,087	136,449
	<u><u>845,332</u></u>	<u><u>941,647</u></u>

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

19. Prior year adjustment

During the financial year ended 31 August 2022, Nanksar Primary School received a capital grant of £346,816. This amount was incorrectly classified under General Annual Grant (GAG) income in Note 4, when it should have been reported as Capital Grants in Note 3.

As a result of this misclassification, the transfer from Restricted General Funds to Restricted Fixed Asset Funds disclosed in Note 19 was overstated by £346,816. The transfer was originally reported as £558,942, calculated as the difference between capital grant income and fixed asset additions (£346,816 – £592,918). The correct transfer should have been £212,127.

This error has been corrected in the current year by restating the prior year Statement of Funds (Note 20), with a reclassification of £346,816 from Fixed Asset Funds to Restricted General Funds.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of funds - as restated

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
General Funds - all funds	790,728	353,310	(162,202)	(38,578)	-	943,258
Restricted general funds						
General Annual Grant (GAG)	346,816	10,840,999	(10,944,201)	-	-	243,614
Pupil premium	-	266,126	(266,126)	-	-	-
Other DfE/ESFA grants	-	1,107,051	(1,107,051)	-	-	-
Other government grants	-	526,630	(526,630)	-	-	-
Other restricted funds	-	229,399	(229,399)	-	-	-
Pension reserve	204,000	12,000	83,000	-	2,058,000	2,357,000
	<u>550,816</u>	<u>12,982,205</u>	<u>(12,990,407)</u>	<u>-</u>	<u>2,058,000</u>	<u>2,600,614</u>
Restricted fixed asset funds						
Inherited on conversion	5,678,360	-	-	-	-	5,678,360
DfE Group capital grants	1,568,719	70,092	(392,691)	38,578	-	1,284,698
Capital expenditure from GAG	243,715	-	-	-	-	243,715
Private sector capital sponsorship	2,646,700	20,258	(3,906)	-	-	2,663,052
	<u>10,137,494</u>	<u>90,350</u>	<u>(396,597)</u>	<u>38,578</u>	<u>-</u>	<u>9,869,825</u>
Total Restricted funds	<u>10,688,310</u>	<u>13,072,555</u>	<u>(13,387,004)</u>	<u>38,578</u>	<u>2,058,000</u>	<u>12,470,439</u>
Total funds	<u><u>11,479,038</u></u>	<u><u>13,425,865</u></u>	<u><u>(13,549,206)</u></u>	<u><u>-</u></u>	<u><u>2,058,000</u></u>	<u><u>13,413,697</u></u>

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of 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 it could carry forward at 31 August 2025.

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 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 27 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 projects as detailed in the Trustees Report, Financial Review section.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
Unrestricted funds						
General Funds - all funds	947,347	246,239	(129,479)	(273,379)	-	790,728
Restricted general funds						
General Annual Grant (GAG)	805,632	10,299,279	(10,399,959)	(358,136)	-	346,816
Pupil premium	-	254,729	(254,729)	-	-	-
Other DfE/ESFA COVID-19 funding	-	57,356	(57,356)	-	-	-
Other DfE/ESFA grants	-	928,767	(928,767)	-	-	-
Other government grants	-	337,516	(337,516)	-	-	-
Other restricted funds	-	213,164	(213,164)	-	-	-
Pension reserve	(322,000)	-	42,000	-	484,000	204,000
	<u>483,632</u>	<u>12,090,811</u>	<u>(12,149,491)</u>	<u>(358,136)</u>	<u>484,000</u>	<u>550,816</u>
Restricted fixed asset funds						
Inherited on conversion	5,678,360	-	-	-	-	5,678,360
DfE Group capital grants	1,000,902	234,669	(298,367)	631,515	-	1,568,719
Capital expenditure from GAG	243,715	-	-	-	-	243,715
Private sector capital sponsorship	2,646,700	-	-	-	-	2,646,700
	<u>9,569,677</u>	<u>234,669</u>	<u>(298,367)</u>	<u>631,515</u>	<u>-</u>	<u>10,137,494</u>

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

20. Statement of funds (continued)

	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
Total Restricted funds	10,053,309	12,325,480	(12,447,858)	273,379	484,000	10,688,310
Total funds	11,000,656	12,571,719	(12,577,337)	-	484,000	11,479,038

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2025 were allocated as follows:

	2025	<i>As restated</i>
	£	<i>2024</i>
		£
Guru Nanak Sikh Academy	911,995	743,059
Nanaksar Primary School	274,877	394,485
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,186,872	1,137,544
Restricted fixed asset fund	9,869,825	10,137,494
Pension reserve	2,357,000	204,000
	<hr/>	<hr/>
Total	13,413,697	<i>11,479,038</i>
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2025 £	Total 2024 £
Guru Nanak Sikh Academy	7,629,657	1,746,370	314,187	1,988,233	11,678,447	11,161,971
Nanaksar Primary School	957,987	166,166	13,035	459,660	1,596,848	1,158,999
LGPS Costs	-	(83,000)	-	(12,000)	(95,000)	(42,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	8,587,644	1,829,536	327,222	2,435,893	13,180,295	<i>12,278,970</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Tangible fixed assets	(202,128)	-	9,869,825	9,667,697
Current assets	1,145,386	1,096,506	-	2,241,892
Creditors due within one year	-	(852,892)	-	(852,892)
Pension scheme asset	-	2,357,000	-	2,357,000
Total	943,258	2,600,614	9,869,825	13,413,697

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Restricted fixed asset funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	-	(552,852)	10,484,310	9,931,458
Current assets	785,522	1,499,705	-	2,285,227
Creditors due within one year	5,206	(946,853)	-	(941,647)
Pension scheme asset	-	204,000	-	204,000
Total	790,728	204,000	10,484,310	11,479,038

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

22. Reconciliation of net expenditure to net cash flow from operating activities

	2025 £	2024 £
Net expenditure for the year (as per Statement of financial activities)	(123,341)	(5,618)
Adjustments for:		
Depreciation	368,909	298,367
Capital grants from DfE and other capital income	(70,092)	(234,669)
Interest receivable	(45,221)	(20,479)
Defined benefit pension scheme cost less contributions payable	(83,000)	(58,000)
Defined benefit pension scheme finance (income)/cost	(12,000)	16,000
Decrease/(increase) in stocks	1,618	(1,322)
Decrease in debtors	206,491	334,263
Decrease in creditors	(96,315)	(51,863)
Profit/loss on sale of fixed assets	55,096	-
Net cash provided by operating activities	202,145	276,679

23. Cash flows from investing activities

	2025 £	2024 £
Dividends, interest and rents from investments	45,221	20,479
Purchase of tangible fixed assets	(160,245)	(866,185)
Capital grants from DfE Group	70,092	234,669
Net cash used in investing activities	(44,932)	(611,037)

24. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand and at bank	1,910,797	1,753,584
Total cash and cash equivalents	1,910,797	1,753,584

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

25. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	1,753,584	157,214	1,910,798
	1,753,584	157,214	1,910,798

26. Capital commitments

	2025 £	2024 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	97,847	9,115
	97,847	9,115

27. Pension commitments

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 latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £153,675 were payable to the schemes at 31 August 2025 (2024 - £143,714) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. 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.

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

27. Pension commitments (continued)

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 ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- 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 £196,100 million, giving a notional past service deficit of £22,000 million

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

The employer's pension costs paid to TPS in the year amounted to £1,353,365 (2024 - £977,726).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £681,000 (2024 - £612,000), of which employer's contributions totalled £537,000 (2024 - £483,000) and employees' contributions totalled £144,000 (2024 - £129,000). The agreed contribution rates for future years are 5.5% - 12.5% per cent for employers and 21.8% per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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](https://www.gov.uk).

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

27. Pension commitments (continued)

Principal actuarial assumptions

	2025	<i>2024</i>
	%	%
Rate of increase in salaries	3.2	3.15
Rate of increase for pensions in payment/inflation	2.7	2.65
Discount rate for scheme liabilities	6.1	5.00

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

	2025	<i>2024</i>
	Years	Years
<i>Retiring today</i>		
Males	21.1	20.9
Females	24.6	24.6
<i>Retiring in 20 years</i>		
Males	22	21.8
Females	25.5	25.5

Sensitivity analysis

	2025	<i>2024</i>
	£000	£000
Discount rate +0.1%	(151,000)	(183,000)
Discount rate -0.1%	151,000	183,000
Mortality assumption - 1 year increase	259,000	296,000
Mortality assumption - 1 year decrease	(259,000)	(296,000)
CPI rate +0.1%	150,000	181,000
CPI rate -0.1%	(150,000)	(181,000)

Share of scheme assets

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

	At 31 August 2025	<i>At 31 August 2024</i>
	£	£
Equities	5,029,110	4,102,920
Bonds	2,205,750	2,051,460
Property	1,058,760	1,063,720
Cash	529,380	379,900
Total market value of assets	8,823,000	7,598,000

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

27. Pension commitments (continued)

The actual return on scheme assets was £647,000 (2024 - £840,000).

The amounts recognised in the Statement of financial activities are as follows:

	2025 £	2024 £
Current service cost	(454,000)	(425,000)
Interest income	394,000	337,000
Interest cost	(382,000)	(353,000)
Total amount recognised in the Statement of financial activities	(442,000)	(441,000)

Changes in the present value of the defined benefit obligations were as follows:

	2025 £	2024 £
At 1 September	7,394,000	6,546,000
Current service cost	454,000	425,000
Interest cost	382,000	353,000
Employee contributions	144,000	129,000
Actuarial (gains)/losses	(1,805,000)	19,000
Benefits paid	(103,000)	(78,000)
At 31 August	6,466,000	7,394,000

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2025 £	2024 £
At 1 September	7,598,000	6,224,000
Interest income	394,000	337,000
Actuarial gains	253,000	503,000
Employer contributions	537,000	483,000
Employee contributions	144,000	129,000
Benefits paid	(103,000)	(78,000)
At 31 August	8,823,000	7,598,000

GURU NANAK SIKH ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

28. Operating lease commitments

At 31 August 2025 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	<i>2024</i>
	£	£
Not later than 1 year	-	17,199
	<u> </u>	<u> </u>

29. Members' liability

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

30. 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 13.