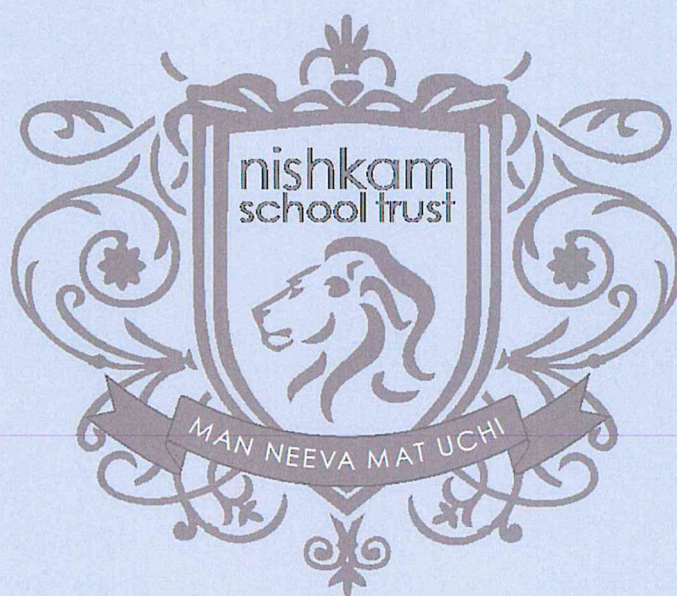


# Nishkam School Trust

## Annual Report and Financial Statements

Year Ended 31 August 2019







At Nishkam Schools, our pupils explore the divine context of humanity and wonder of all creation. They not only learn about, but also learn from, the wisdom of religions and in so doing explore the infinite human potential to do good unconditionally. We support pupils to develop aspects of their own religious, spiritual or human identities. They learn about serenity through prayer and humility in service and in so doing, they deepen their own respective faith, and respect the common purpose of all religious traditions, as well as respecting the beliefs of those with no faith tradition. They explore the unique divinity of the individual, and our common humanity.

At Nishkam Schools, we believe that the fostering of human virtues forms the foundation of all goodness. Our curricula are carefully enriched to allow experiences where our pupils, teachers and parents alike learn to grow through a conscious focus on virtues. Our virtues-led education approach helps to provide guidance to enable pupils to understand their choices in order to help lead better lives. Our pupils become self-reflective and flourish; they are able to build strong, meaningful relationships and understand their responsibilities to the global family and all creation, founded in faith.

At Nishkam Schools, our pupils and staff alike aim to become the best human beings they can possibly be, in all aspects of spiritual, social and academic life. We foster a school culture which inspires optimism and hope, as well as determination and confidence, for all to achieve their best possible. This is accomplished through a rich and challenging curriculum, along with excellent teaching to nurture awe and wonder. Pupils gain a breadth and depth of knowledge and a love of learning to achieve their full potential.

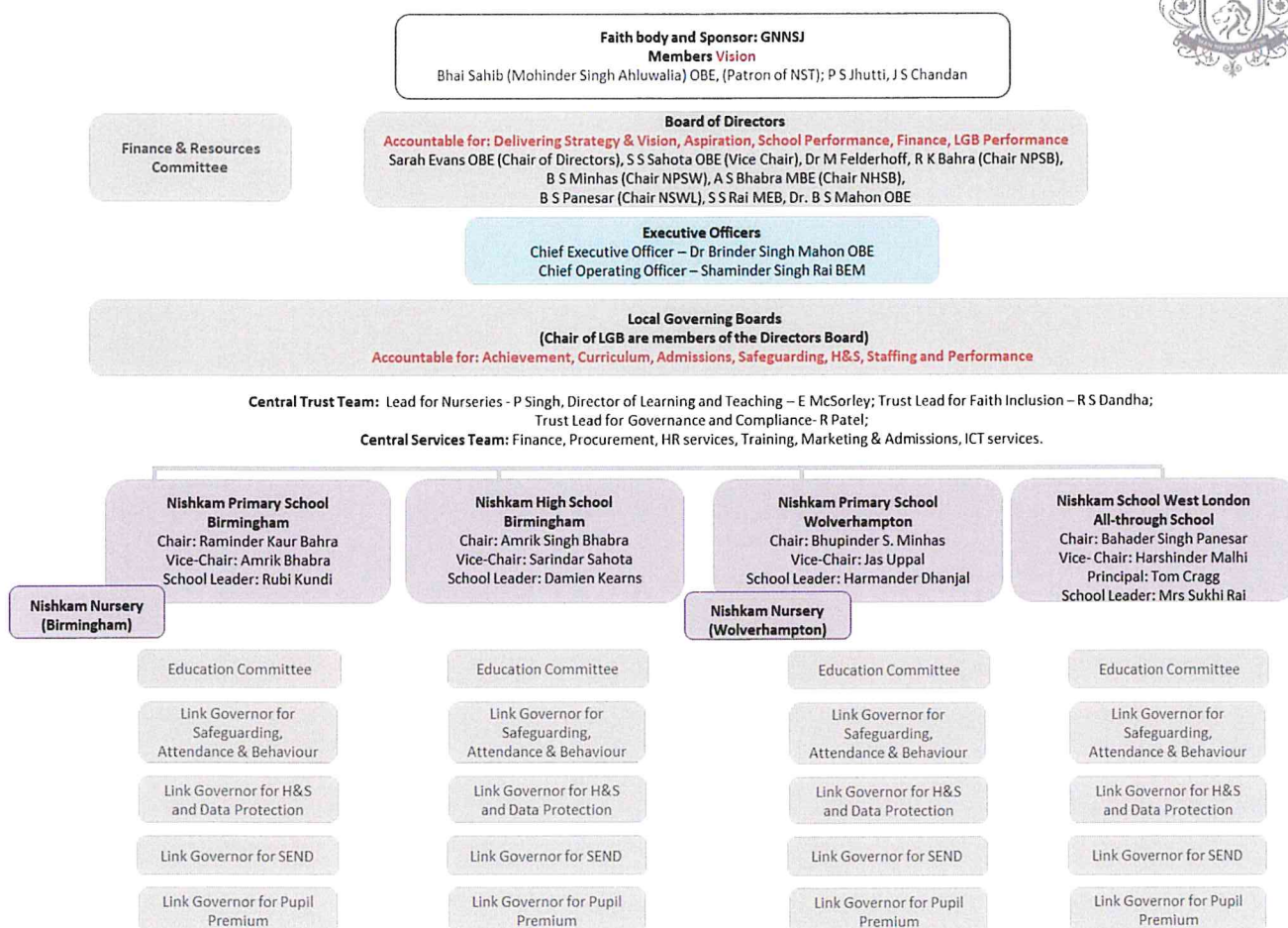


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## Reference and Administrative Details

### Nishkam School Trust; Governance and MAT Structure







Lord Theodore Agnew - Parliamentary Under Secretary of State at the Department for Education, visits Nishkam High School Birmingham , UK, 18 September 2018

## Members

Bhai Sahib Mohinder Singh Ahluwalia Ji (Patron of NST)  
 Parminder Singh Jhutti  
 Jaswinder Pal Singh Chandan

## Senior Leadership Team

Sarah Evans  
 Dr Brinder Singh Mahon

Shaminder Singh Rai  
 Rubi Kundi  
 Damien Kearns  
 Tom Cragg  
 Sukhjeet Rai

Harmander Singh Dhanjal

Chair of Directors  
 Chief Executive and  
 Accounting Officer  
 Chief Operating Officer  
 Headteacher, NPSB  
 Principal, NHSB  
 Principal, NSWL  
 Head of Primary  
 Education, NSWL  
 Headteacher, NPSW



Jonathan Slater - Permanent Secretary of the Department for Education, visits Nishkam Primary School Birmingham , UK, 17 November 2017

## Registered Office Address

Nishkam High School, Great King Street, Birmingham

## Independent Auditor

Stanley Yule Chartered Accountants

## Bank

Barclays Bank plc  
 1 Snowhill Queensway, Birmingham, B4 6GH



Bhai Sahib Bhai Dr Mohinder Singh Ji - Patron of NST visiting Winchester University , UK, 27 December 2017



Andrew Haldane – Chief Economist of the Bank of England after his visit to Nishkam High School Birmingham welcomed by Bhai Sahib Bhai Dr Mohinder Singh Ji - Patron of NST, 27 November 2017







## Patrons' Message

Nishkam School Trust (NST) has established schools to serve our children and families, to contribute to the development of children and society, and to ensure that children have opportunities to fulfil their spiritual, intellectual and physical potential.

We feel honoured and privileged that parents, who are the primary educators of their children, entrust the education of children to the Nishkam Schools. NST are indebted to the Department of Education for providing the majority of the funding since the first school opened in 2011, and to the Nishkam faith community for complementing the funding and enabling the Trust to enrich the education resources we provide.

Nishkam education endeavours to provide holistic and wholesome environments; to prepare pupils for adulthood, the wider world and to be responsible citizens; create communities where the spirit, intellect and wisdom are nourished; and nurture the ethical, cultural and social development of children. We endeavour to ensure children are happy, secure and inspired to do their very best.

As parents, the happiness and fulfilment of all children is close to our hearts. Collectively we can create environments, where families and communities, in which children will be happy and can flourish. We can build a secure, safe and supportive society, which will provide for our needs and aspirations. Adults have a shared responsibility to create such ideal communities where children witness the true potential of good human beings. Humanity continues to face many challenges. We are optimistic that a new global consciousness and a responsible mind-set will overcome these challenges through realigning ourselves with core human virtues of love, compassion, sacrifice, service and transparency. Alongside achieving material happiness and fulfilment, the world's faith traditions point to more fulfilling aspirations which are possible when we go beyond ourselves, placing the needs of others before our own. All faith-based organisations can play a positive role in helping us become better parents, teachers and citizens, and more importantly, better human beings.

Nishkam Schools are driven and sustained by the principle of '*nishkamta*' – creating a mind-set to serve others without expectation or recognition. The motto

of our schools is '*Man Neeva, Mat Uchi* – to be humble, to be wise'. These are the building blocks of our endeavours to set up the Nishkam School Trust and its schools in Birmingham, West London and Wolverhampton.

The Nishkam Schools flourish because of the unique partnership between the Department of Education, the faith community and the entire Nishkam Team (in Birmingham, London and Wolverhampton). They have all contributed to making our educational endeavours a reality. The efforts of our pupils, teachers, staff, governors and directors, *sewadaars* (volunteers), and community are immeasurable and we are witnessing the potential of this collective team effort bearing fruit. Nishkam School Trust is to be commended for working with the DfE to open a new school every year (from 2011 to 2014) during one of the most difficult economic climates and taking the responsibility to provide good quality virtues-led education.

I feel privileged and humbled to be patron of this unique education charity, which we believe will be able to deliver life changing educational experience for decades to come and nurture good human beings who have a passion for serving others in the true spirit of Nishkam.

**Bhai Sahib Bhai Dr Mohinder Singh**

**Patron**

## 1 Directors' Report of the Year Ended 31 August 2019

The directors present their annual report together with the financial statements and auditor's report of the charitable company for the year/period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Nishkam School Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Nishkam School Trust.

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

### Members' Liability

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

### Directors' Indemnity

The academy trust, through its insurance provision, indemnifies Directors' against claims made arising from professional negligence or errors and omissions occurring whilst on NST business. The insurance provides cover of £10,000,000.

### Recruitment and Appointment of Directors

In accordance with the Articles of Association;

- The number of Directors can not be less than three and shall not be subject to a maximum;
- Members can appoint up to ten Directors;
- Members may appoint Staff Directors provided that the number of employees including the Chief Executive Officer does not exceed a third of the total number of Directors
- A minimum of two Parent Directors unless there are Local Governing Bodies which include two Parent Governors;
- Chief Executive Officer shall be in office as long he/she remains in post;
- Directors may appoint Co – Opted Directors. They may not co-opt an employee as Director if thereby the number of employees would exceed one third of the total number of Directors.

### Policies and Procedures adopted for Induction and Training of Directors

All Directors are given a briefing by the CEO and Chair of the Trust Board. The trust are members of the NGA (National Governance Association) to provide support, guidance and training to Directors. Directors can also attend training courses from other organisations.

### Organisational Structure

The Trust Board are responsible for setting the strategic direction and policy for the Trust across the schools. Directors approve a scheme of delegation which includes the levels of responsibility for the Trust Board, Executive team and Local Governing Bodies.

Each school has a senior leadership team in place for the day to day management of the schools within the trust, this includes the monitoring and authorisation of spending within agreed budgets and the appointment of staff.

### Arrangements for Executive Pay

The published DfE headship guidelines for calculating pay for Executives/Principals/Headteachers, and therefore all such salaries are within these guidelines. (These guidelines are noted in the NST Pay Policy). If there was a variation from this policy the Trust Board would adopt an approach that is transparent, proportionate and justifiable.

### Related Parties and other Connected Charities and Organisations

Related party transactions are disclosed in the Statement of Financial Activities. GNNSJ is the sponsor for the MAT.

#### 1.1 Objects and Aims

Nishkam School Trust (NST) is a charity which governs the Sikh ethos multi-faith schools established under the Governments' Free School Programme. NST is committed to providing quality education that will raise hopes, aspirations and attainment of young people.



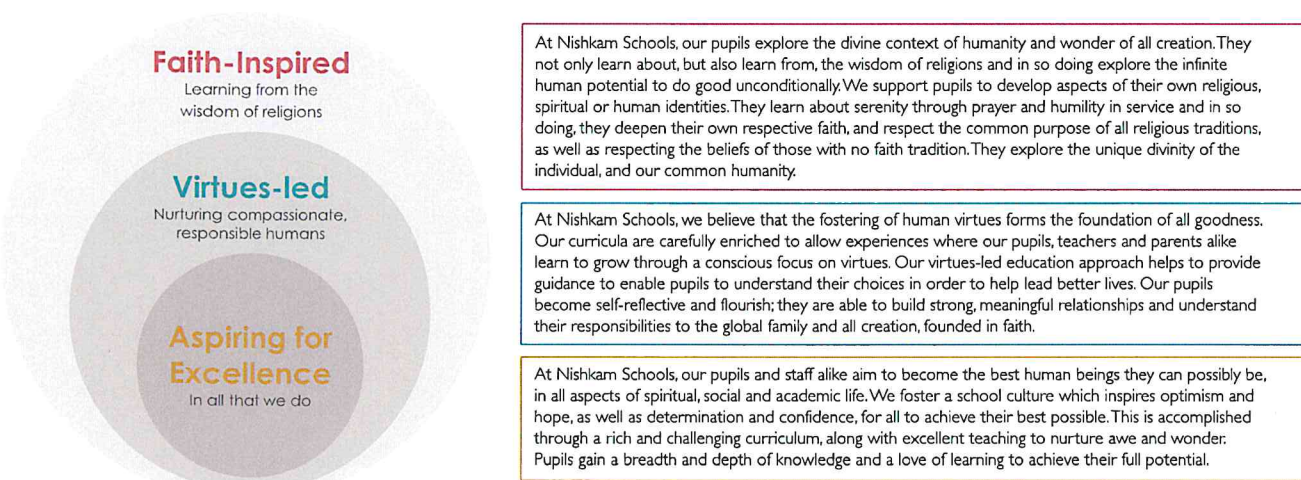
This will be realised through the implementation of the Nishkam Education Vision, which has emerged from over 35 years of voluntary education work with children locally (Birmingham), nationally (London and Leeds) and internationally (Kenya and India). NST has established four schools since 2012 Nishkam Primary School (opening in 2011) was the first of such schools followed by Nishkam High School (opening in 2012), Nishkam School West London (opening in 2013) and Nishkam Primary School Wolverhampton (joined NST in 2014).

Guru Nanak Nishkam Sewak Jatha (Birmingham) UK - GNNSJ is the key proposer for NST. GNNSJ has a long established and clearly focussed programme of community investment and regeneration in Handsworth, London and Leeds by devoting resources to promote civic, social and economic welfare with particular emphasis on education and community regeneration initiatives.

## 1.2 The Nishkam School Vision

“To empower our children with virtues enabling them to be good human beings to excel both academically and spiritually, to serve humanity selflessly for the *common good* with an abundance of love, *compassion* and forgiveness”.

## 1.3 Mission



## 1.4 Our priorities

- Raising aspirations and achievements aiming for the top quintile of schools nationally through a values led ethos.
- Learning from faith as well as about faith
- Continue to embed teaching excellence across all schools

## 1.5 Why we believe we stand apart from customary faith schools

We believe faith schools can play a key role not just in nurturing a single faith, but also nurturing and encouraging the faith of each and every pupil, as well as building interfaith understanding. Worshiping collectively and within specific faith groups is a unique and innovative feature of our Schools. The philosophy of faith will resonate throughout the school week and curriculum, rather than being reduced exclusively to religious education lessons.

The Sikh Dharam is emphatic in respecting all faiths and not seeking converts, thereby maximising our contribution towards a cohesive society. The Sikh Dharam has a unique multi-faith ethos, and our Schools reflect this by positively nurturing children of all faiths and beliefs.

## 1.6 Public Benefit

The Directors have given consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education.

The Trust provides education that:

- is balanced and broadly based on a foundation of values
- promotes the spiritual, moral, cultural, mental and physical development of each child in a multi-faith multi-cultural environment
- prepares students at the school for the opportunities, responsibilities and experiences of later life and to give back to society to build cohesive communities
- raises aspirations, to sustain and increase their knowledge and understanding.
- creates both employment and voluntary opportunities, helping to regenerate community cohesion and the local area.

The Directors consider that the activities the Nishkam School Trust carries out in pursuance of its charitable aims provide benefit both to those who attend Nishkam Schools, their parents and the wider communities.



## 2 Achievements and Performance

### 2.1 Capital support

The up-front investments made by our proposing body, GNNSJ in acquiring premises and sites for future schools enabled the NST to quickly gain substantial support from the Government in terms of capital and revenue funding for each school. In September 2011 GNNET support enabled NST to open its first full day school in 3 – 11 Soho Road, Handsworth. Subsequently it received approvals to open further schools in Birmingham and North West London, and to support a fledgling school in Wolverhampton. Currently the schools provide full time education to a total of 1875 children, which will rise to over 2940 pupils when the schools are at full capacity.

As well as providing the on-going revenue funding for the day to day running costs of each school, the Government through the Education and Skills Funding Agency (ESFA) have provided the following capital inputs towards building costs of each school: £1.4m for the Nishkam Primary School; £9m towards the Nishkam High School Birmingham; and a further circa £25m for the all-through school in West London. The ESFA has also provided £1.5m to the Nishkam Primary School Wolverhampton when it opened as the Anand School in 2013.

### 2.2 Evidence of effectiveness

The schools measure and evaluate the impact on pupil's educational attainment, character development, improvement in behaviour and engagement, as well as the spiritual, moral, social and cultural development of children.

The evidence of teacher assessment, self-review and evaluation by pupils, and feedback from parents and partner organisations is complemented by external findings and evidence as summarised below.

- Ofsted inspections rate the three schools NSWL, NHSB, NPSB as "Outstanding" in all areas. Inspectors highlighted 'Students achieve exceptionally well' and that 'Nearly all of the teaching is consistently good or outstanding'. Inspectors also noted that 'Students' spiritual, moral, social and cultural development is promoted outstandingly well.' 'Behaviour is exceptional.' NPSW is rated as Requires improvement at the last inspection, and has made reasonable steps to becoming at least Good at the next inspection.
- The independent Statutory Inspection of Faith Education in Nishkam Schools also found the three schools to be 'Outstanding' in all areas. Sikh Ethos multi-faith Schools. Inspectors mentioned that 'teaching of Religious Studies and faith development leads to outstanding progress and personal development overall'. One further school is awaiting inspection.
- Most pupils, many of whom are from disadvantaged backgrounds, are becoming more altruistic; lead social action projects, raise funds, and participate in out-of-school character building activities.

- The impact on character was confirmed by the Jubilee Centre's School Values Measure assessment; 'Students in the school consider themselves to be virtuous and this is supported by their dilemma responses that suggest that they broadly solve moral problems as one would expect of a person with good character.'
- We also measure the effectiveness of all staff as role models of character through 360 appraisals. There is regular reporting to parents on character, academic achievements and behaviour.

### 2.3 This year has seen the following milestones.

Overall, The Trust has worked intensively to increase the validity of pupil outcomes, by initiating common assessments, common pupil data tracking methods, school to school review, a 'Language of Virtues' and that has been central to Trust CPD days during the 2018-19 academic year. It has manifested itself in the creation of the 'Nishkam Passport' which is given to every pupil at all of our schools. Furthermore, the Trust is now developing a sequence of short, twenty minute, lessons that feature the 50 shared virtues that underpin our approach to faith development and shape the ethos of the schools within the Trust.

In addition, the Trust is leading on an 'excellence' curriculum and assessment model following the removal of National Curriculum Levels. Subject hubs across the primary have further developed English and Maths this year, as well as common assessments. Trust CPD has had excellent contributions with to further develop subject planning and assessment. Secondary staff at NSWL work together with NHSB staff to develop subject excellence further.





## Other headlines:

- Nishkam Primary School Birmingham (since 2011) – continues to improve its KS2 scores
- Nishkam High School (since 2012) – is in the top 3% of 6450 schools for progress 8, and in the top 10% for attainment 8.
- Nishkam School West London; all-through school having moved into the permanent building in August 2018 – five years after the school opened.
- Nishkam Primary School Wolverhampton (joined NST in Sept 2014); continues to make progress; grow in size and awaits its OfSTED inspection in the following academic year.
- All schools are oversubscribed.

## 2.4 Overall Primary Pupil Outcomes



	Internal Data							External Data				
Cohort	EYFS (YR)	Phonics (Y2)	Key Stage 1 (Y2)					Key Stage 2 (Y6)				
	Good Level of Development (GLD) %	Expected Standard %	Expected Standard (EXP+) % / Greater Depth (GD) %					Expected Standard (EXS+) % / Higher Standard %				
			Combined	Reading	Writing	Maths	Science	Combined	Reading	Grammar Punctuation Spelling	Writing	Maths
National 2019	72	82	65*	75 / 26	70 / 16	76 / 22	83	65 / 11	73 / 27	78 / 36	78 / 20	79 / 27
Attainment - NPSB												
2019	70	92	57	64 / 12	60 / 7	68 / 18		72 / 18	78 / 33	95 / 60	85 / 35	87 / 42
2018	73	78	72	90 / 25	83 / 18	91 / 23		72 / 22	73 / 30	88 / 62	85 / 28	85 / 35
2017	67	98	63	82 / 33	78 / 28	82 / 30		63 / 7	73 / 25	88 / 51	73 / 14	85 / 32
2016	75	93	47	77 / 10	67 / 2	72 / 13		49 / 7	56 / 12	77 / 19	67 / 14	67 / 23
Progress - NPSB												
2019			-0.1	-1.0	1.4			0		0.4	1.4	
2018								Below Avg. (-1.83)		Average (0.06)	Average (1.22)	
2017								Average (-0.9)		Average (-1.4)	Average (0.5)	
2016								Average (-0.88)		Average (-0.14)	Average (-0.80)	
Attainment - NPSW												
2019	67	83	64	66 / 20	64 / 17	76 / 22		Not applicable until 2020				
2018	60	72	69	75 / 28	72 / 24	79 / 24						
2017	62	83	66	78 / 34	72 / 19	81 / 28						
2016	71	93	not available	75 / 43	83 / 4	75 / 43						
Attainment - NSWL												
2019	92	100	90 / 35	100 / 63	94 / 41	94 / 53		88 / 14	92 / 30	98 / 70	90 / 30	96 / 48
2018	90	100	94 / 44	98 / 62	98 / 50	96 / 54						
2017	90	98	86	96 / 50	86 / 36	94 / 54						
2016	72	98	not available	98 / 44	83 / 35	92 / 40						
Progress - NSWL												
2019			2.9	not available	3.1			-0.3		0	2.4	
Notes: 2019 provisional data, 2018 final data, *2017 final data. All national comparison data for state-funded schools												

Notes: 2019 provisional data, 2018 final data, \*2017 final data. All national comparison data for state-funded schools

## 2.5. Secondary pupil outcomes KS4 (NHSB)

					Pupil Premium Vs Non PP					
		2019	2018	2017	2019		2018		2017	
		(Provisional)								
					PP	Non-PP	PP	Non-PP	PP	Non-PP
NHSB	A8	56.06	54.75	55.14	52.25	58.11	50.22	56.91	50.83	56.88
	P8	0.985	0.739	0.975	0.841	1.059	0.486	0.855	0.959	0.983
	English and Maths Grade 5+	59.80%	55.60%	51.10%	50.00%	65.10%	50.00%	58.20%	29.60%	59.70%
	English and Maths Grade 4+	80.40%	79.80%	79.80%	67.60%	87.30%	71.90%	83.60%	70.40%	83.60%
	Ebacc Grade 5+	28.90%	35.40%	28.70%	20.60%	33.30%	15.60%	44.80%	18.50%	32.80%
	Ebacc Grade 4+	55.70%	51.50%	34.00%	52.90%	57.10%	31.30%	61.20%	18.50%	40.30%
	Ebacc APS	5.28	5.2	4.61	4.86	5.5	4.76	5.41	4.07	4.83
National	A8	46.9	47.4	47.1	38.71	50.09	36.7	50.1	37	49.8
	P8	0	0.01	0	-0.35	0.15	-0.44	0.13	-0.4	0.11
	English and Maths Grade 5+	42.40%	44.10%	43.50%	26.30%	48.80%	24.90%	50.10%	24.50%	49.40%
	English and Maths Grade 4+	64.90%	65.50%	65.10%	47.60%	71.70%	44.50%	71.50%	44.30%	71.20%
	Ebacc Grade 5+	15.50%	17.00%	21.70%	7.50%	18.60%	7.20%	20.20%	9.80%	25.60%
	Ebacc Grade 4+	23.20%	24.60%	24.20%	13.00%	27.30%	12.10%	28.50%	11.70%	28.20%
	Ebacc APS	4.05	4.12	N/A	3.23	4.37	3.07	4.4	N/A	N/A
Local	A8		45.8	46.1			39.7	50.9	40.1	51.2
	P8		-0.04	-0.01			-0.23	0.14	-0.18	0.15
	English and Maths Grade 5+		40.10%	40.20%			28.40%	50.10%	27.60%	51.00%
	English and Maths Grade 4+		59.60%	60.10%			48.30%	69.10%	48.40%	70.10%
	Ebacc Grade 5+		16.70%	22.20%			9.20%	23.00%	12.50%	30.50%
	Ebacc Grade 4+		23.90%	24.70%			15.20%	31.20%	15.10%	32.90%
	Ebacc APS		3.98	N/A			3.36	4.51	N/A	N/A

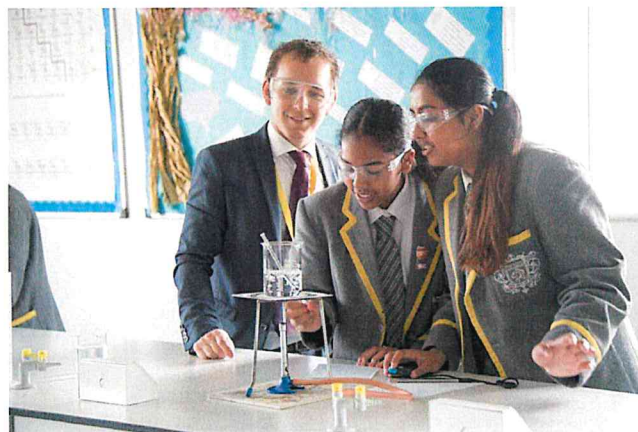


## 2.5. Secondary pupil outcomes KS5 (NHSB)

	Nishkam High School 2019 (Provisional)	National Schools 2018	Local Schools 2018
A level APS per entry	29.54	32.35	33.25
A level APS as a grade	C	C+	C+
A level Value Added	-0.23 (-0.06 to -0.39)	-0.01	n/a
A level 3+ A*-A	3.9%	11.8%	13.7%
A level AAB+	9.4%	19.7%	23.0%
A level retention	100%	93.9%	n/a
A level pass rate	98.1%	97.9% (2019)	n/a

	Nishkam High School 2018	National Schools (2181)	Local Schools (110)
A level APS per entry	23.11	32.35	33.25
A level APS as a grade	D+	C+	C+
A level Value Added	-0.09 (0.16 to -0.34)	-0.01	n/a
A level 3+ A*-A	0.0%	11.8%	13.7%
A level AAB+	4.5%	19.7%	23.0%
A level retention	95.5%	93.9%	n/a
A level pass rate	98.0%	97.6%	n/a

	Nishkam High School 2017	National Schools (2181)	Local Schools (110)
A level APS per entry	25.09	31.45	31.87
A level APS as a grade	C-	C	C+
A level Value Added	-0.08 (0.20 to -0.37)	-0.01	n/a
A level 3+ A*-A	0.0%	12.0%	13.9%
A level AAB+	0.0%	20.7%	22.8%
A level retention	100%	96.5%	n/a
A level pass rate	100%	97.9%	n/a



### 3. School Backgrounds

#### 3.1. Nishkam Primary School Birmingham (Current OfSTED Rating – Outstanding)

Nishkam Primary School opened in September 2011, was approved in wave 1 of Free Schools initiative, as one of the first of only 24 free schools starting with Reception, and Years 1 and 2. In each of the subsequent years 60 new pupils have been admitted to the Reception year and in August 2016 the school consisted of Reception, Years 1, 2, 3, 4, 5 and 6 classes. The School continues to be oversubscribed and there are waiting lists in all year groups. The innovative and imaginative development of the infrastructure for Nishkam Primary School at 3, 5 and 7 Soho Road (completed September 2011) and 9 and 11 Soho Road (completed September 2012) was delivered as a Kar Sewa ('labour of love') project. Through a unique partnership between the Department of Education, GNNSJ (main proposer), Nishkam School Trust, Harkirit Construction (a private civil engineering contractor) and over 100 sewadaars (volunteers) the project was delivered on time to a superior specification, complementing antiquity with modernity.

#### 3.2. Nishkam High School including Sixth Form (OfSTED Outstanding)

The 4 form entry school for 700 pupils opened in Sept 2012. After just 59 days from first gaining access to the proposed school site, phase 1 of the construction project to convert an industrial hall into a bespoke, 10 classroom temporary school building was completed. Through a unique combination of contractor and community Kar Sewa the work was completed on time and within budget. Approximately 50,000 voluntary hours went into the construction works.

In 10 September 2012 the first cohort of 125 students were admitted into Year 7 and Year 12. In each of the subsequent years 100 new pupils have been admitted into Year 7, with a smaller number to the Sixth Form, and in August 2016 the school consisted of Years 7, 8, 9 and 10 with two year groups in the Sixth Form giving a total of 435 students. The School has been oversubscribed with waiting lists since opening.

The permanent school building was constructed on the same site adjacent to phase 1 buildings, by working closely with the DfE and BAM Construction was appointed as the construction partner. Main construction works commenced in April 2013 with phase 2 completion in April 2014 and phase 2A in July 2014. After just 18 months of first opening students moved from the temporary building to the new school in April 2014.

The major capital funding by the DfE (£7m) was complemented by a contribution by the proposer GNNSJ (£1.2m) and volunteer labour input of 50,000 hours has enabled the construction of an iconic building in a deprived area of Birmingham. The building has been nominated for excellence in construction awards. The finished school includes the following features and facilities:

- 3 storey building
- Hi-tech classrooms and lab spaces
- Large open atrium and spiritual space
- Landscaped exterior grounds with indoor and outdoor sports facilities.





### 3.3. Nishkam School West London (Current OfSTED Rating – Outstanding)

DfE approved the Nishkam School West London as a four-form entry All-Through School for (4-19 years) in July 2012. Because of the long lead times for building a purpose built school, the School opened in September 2013 as a primary school with a Reception Year of 50 pupils and 44 pupils in Year 1 in a temporary location. Subsequently NST, DfE and the London Borough of Hounslow (LBoH) worked collaboratively to secure a suitable permanent site for the whole School. The temporary site in London Road, Hounslow was imaginatively converted in 60 days utilising a unique partnership between an ESFA contractor and community Kar Sewa volunteers.

During 2014 the three partners identified a 12 acre site. It was purchased by the ESFA, who also funded the project development and full designs for the new school buildings. The plans for the new home for the NSWL brought into public use a derelict site in Wood Lane, Osterley to provide the following benefits:

- A new, purpose-built school for 1,400 students.
- Meet the education aspirations of the local community.
- Assist in providing new school places in an area which has the 7th highest London borough for pupil growth.
- New sports facilities with a sports hall, a grass pitch and a multi-use games area.
- Transport plans to encourage sustainable travel journeys.

During 2015-16 there has been far-reaching public consultations and partnership working with the LBoH and the ESFA to support the planning application for the new site. The new building commenced in earnest and was completed by July 2018.

In September 2017 the sixth cohort of 50 children were admitted into the Reception Year, (Total on roll 287). In January 2018, Mr Tom Cragg was appointed as the Principal of the all-through school in preparation the first cohort of 100 pupils year 7 entry in September 2018. Mrs Sukhjeet Rai, was appointed the Head of Primary Education in June 2018.

### 3.4. Nishkam Primary School, Wolverhampton (Ofsted Requires Improvement June 2017)

The School was originally approved by the DfE as two-form entry primary school in April 2013 and opened in September 2014 as the Anand Primary School. DfE provided £1.5m to refurbish a disused Victorian school buildings and to build new classrooms for Reception and Year 1 groups. Wolverhampton City Council provided the school site at 'pepper-corn' rent. After opening Anand Primary School struggled to recruit sufficient pupils. In September 2013 there were about 20 pupils in one Reception class instead of the planned 60 pupils. The Headteacher resigned in Easter 2014.

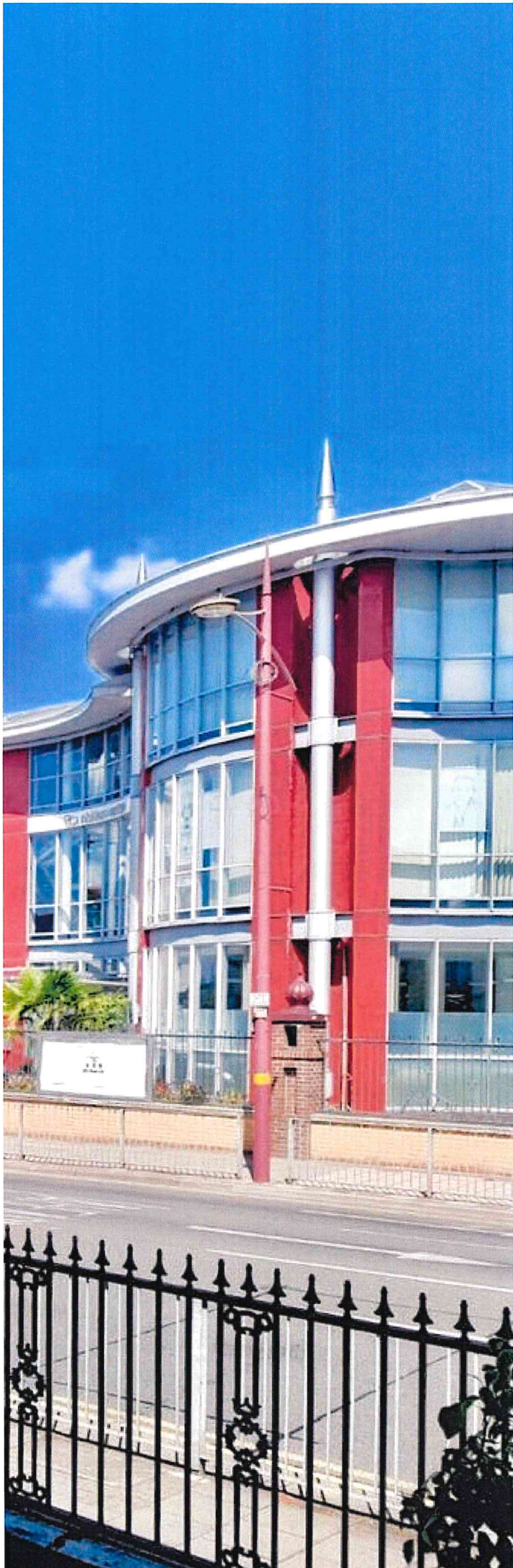
In April 2014 the Trustees of the Anand Primary School together with the DfE approached and agreed for NST to manage the School from September 2014. During the transition period NST oversaw the completion of the building contracts, as well as recruiting a new Headteacher, new teaching staff and increasing the pupil numbers. The NST were able to strengthen the Local Governing Body extend engagement with the local community, and provide business management and strategic support. Excellent working relationships were established with the DfE, Local Authority and local stakeholders.

In September 2014 pupil recruitment had improved, a strong staff team formed and teaching was moved to the new building. Both the new Reception cohort and the Year 1 were full. The new school building was formally open by the Rt Hon William Hague MP, First Secretary of State and Leader of the House of Commons, in February 2015.

The school has a diverse intake with at least 6 different religions and 14 nationalities; the school is representative of the local area in modern Britain.







#### 4. GNNSJ (Proposer) Contribution

NST are indebted to our proposer, and governing faith body, Guru Nanak Nishkam Sewak Jatha, GNNSJ (Birmingham) UK, for its significant contribution in both capital, voluntary commitment, and vision. The monetary contribution is as follows:

- Acquisition of freehold properties amounting to £9.2m (NPS and NHS)
- Refurbishment costs to date of a further £0.8 million. (NPS, NHS, NSWL)
- In addition to the above financial contributions a further £1million was put forward by the proposer organisation towards the High School. The proposer has also encouraged and enabled many selfless volunteers to contribute their time towards the management and supervision of the project. Many contributed as bricklayers, carpenters, semi-skilled personnel and labourers. Such direct volunteering input equates to over 100,000 hours of pro-bono effort to August 2013 which at an hourly rate of £10 this equates to £1m of Nishkam (selfless) service.

The Trust Board would like to extend their sincere gratitude to GNNSJ and the community for their continued support, guidance and inspiration as the Trust expands its educational reach.



## 5. Projects and initiatives to promote virtues and virtues education

GNNSJ, is also involved in the following projects which complement the Nishkam Schools and promote virtues in society.

### a. Museum of World Religions

The Museum is intended to be a shared space for dialogue and understanding between people from different faith communities as well as for people of no religious or faith affiliations. It will serve as an educational resource for learners of all ages, and provide an opportunity for individuals to explore the part that religion plays in contemporary life. GNNSJ is the lead partner organisation to bring this significant landmark project to fruition

### b. Charter for Forgiveness and Reconciliation

The Charter will draw attention to the activity of 'forgiveness' which has its roots in the quality of compassion, which is the foundation for all Dharam, Religions or Faiths. It will serve as inspiration for healing and reconciliation in a fractured world. Forgiveness and reconciliation are part of our journey to peace, together with learning from our shared history and seeking restorative justice. The process of forgiveness and reconciliation can only be engaged in freely and voluntarily by individuals and communities. GNNSJ is again the lead partner organisation.

### c. Engagement with Jubilee Centre for Character and Virtues

(School of Education, University of Birmingham)

The Jubilee Centre for Character and Virtues is a pioneering interdisciplinary research centre focussing on character and virtues in the interest of human flourishing.

It promotes a moral concept of character in order to explore the importance of virtue for public and professional life.

The Centre is a leading informant on policy and practice in this area and through its extensive range of projects contributes to a renewal of character and virtues in both individuals and societies

### GNNSJ of support in education at a university level, in particular University of Birmingham

PROJECT	FUNDING
<b>Lectureship in Sikh Studies,</b>	
Dr Jhutti-Johal, (Jan 02 – Mar 11)	£380,453.00
<b>Religions, Civil Society &amp; The UN</b>	
Dr Martin Stringer, Dr Josef Boehle,	
(Oct 11 Dec 14)	£147,500.00
<b>Religion and Peacebuilding &amp; A Charter for Forgiveness</b>	
Dr Josef Boehle,	
(Oct 2011-Dec 2014)	£76,000.00
<b>Total GNNSJ Funding</b>	<b>£603,953.00</b>

## e. GNNSJ Wider Participation

- **June, 2005** - Participation in the 'Tripartite' Forum on Interfaith Dialogue and Cooperation for Peace at the invitation of the Temple of Understanding. (United Nations Headquarters, New York).

- **October 2005** – Participation in the service of thanksgiving to celebrate the 60th Anniversary of the United Nations. (St Paul's Cathedral, London, UK).

- **September 2006.** Speaker at the 59th Annual DPI / NGO Conference. Papers presented: 'Promoting respect for cultural diversity in conflict resolution' and 'Best Practice Summary' (United Nations Headquarters, New York).

- **January 2008** - Contribution to interfaith book commissioned by UNESCO. Chapter entitled; 'The Spiritual Development of the Individual: A Prerequisite for Delivering the Millennium Development Goals from a Sikh Perspective.'

- **September 2008.** - Participant in 61st Annual DPI / NGO Conference at the (UNESCO Headquarters, Paris, France).

- **September 2008** - Recipient of the prestigious Hollister award from Temple of Understanding for tireless intra and interfaith work, and dedication to advancing interfaith issues at the United Nations, and honoured as one of fifty interfaith visionaries in 2010. Supporter of UN World Interfaith Harmony Week since 2011.

- **February 2012** - Speaker at special event to mark UN World Interfaith Harmony Week on 'Common Ground for the Common Good.' (United Nations Headquarters, New York.)

**April 2014** - Hofstra University's 2014 Guru Nanak Interfaith Prize awarded to Bhai Sahib Bhai Dr Mohinder Singh

**October 2015** – Council For the Parliament of Worlds Religions Conference at Utah City, The Parliament galvanized followers of over 50 global faiths into action—action bolstered by healing and transformative experiences, and informed by inclusivity and mutual respect.

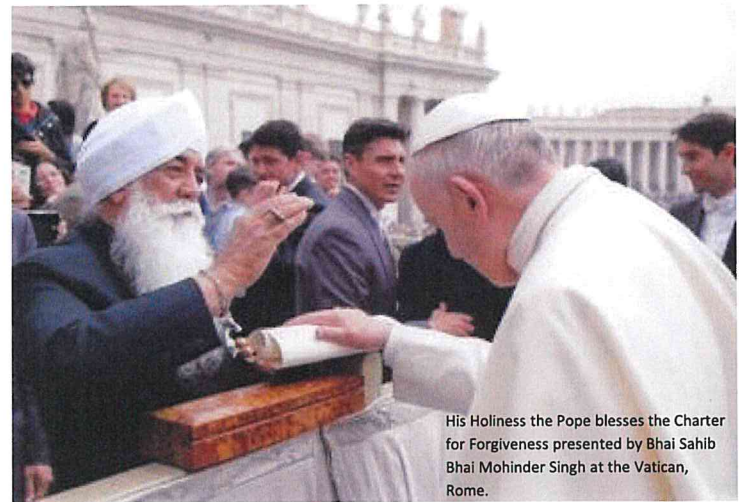
**February 2016** UN World Interfaith Harmony Conference: "Peace at Home Builds Peace in the World," 3 February 2016, Dubai, U.A.E.

**November 2018** SOAS hosts key address by UN Chief Secretary General Antonio Guterres in London .

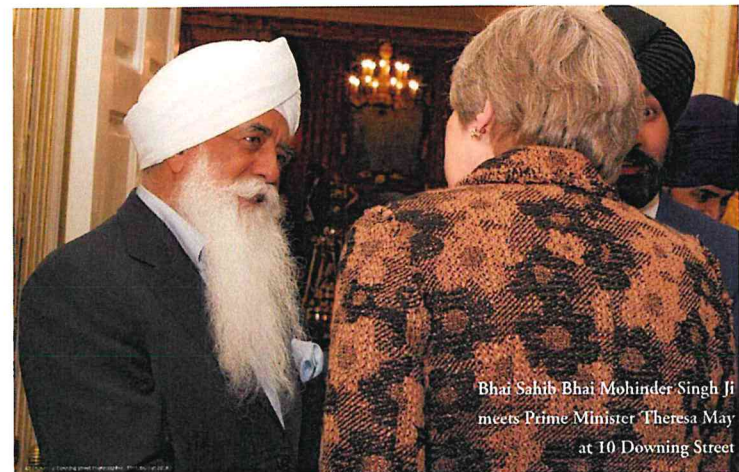
**February 2018** Interreligious Dialogue for Peace: Promoting peaceful coexistence and common citizenship – International Dialogue Centre (KAICIID) Vienna.

**April 2018** Vaisakhi Day Reception at 10 Downing Street. Prime Minister Theresa May greets the Sikh Community.

**May 2018** His Holiness the Pope blesses the Charter for Forgiveness presented by Bhai Sahib Bhai Mohinder Singh at the Vatican, Rome.



His Holiness the Pope blesses the Charter for Forgiveness presented by Bhai Sahib Bhai Mohinder Singh at the Vatican, Rome.

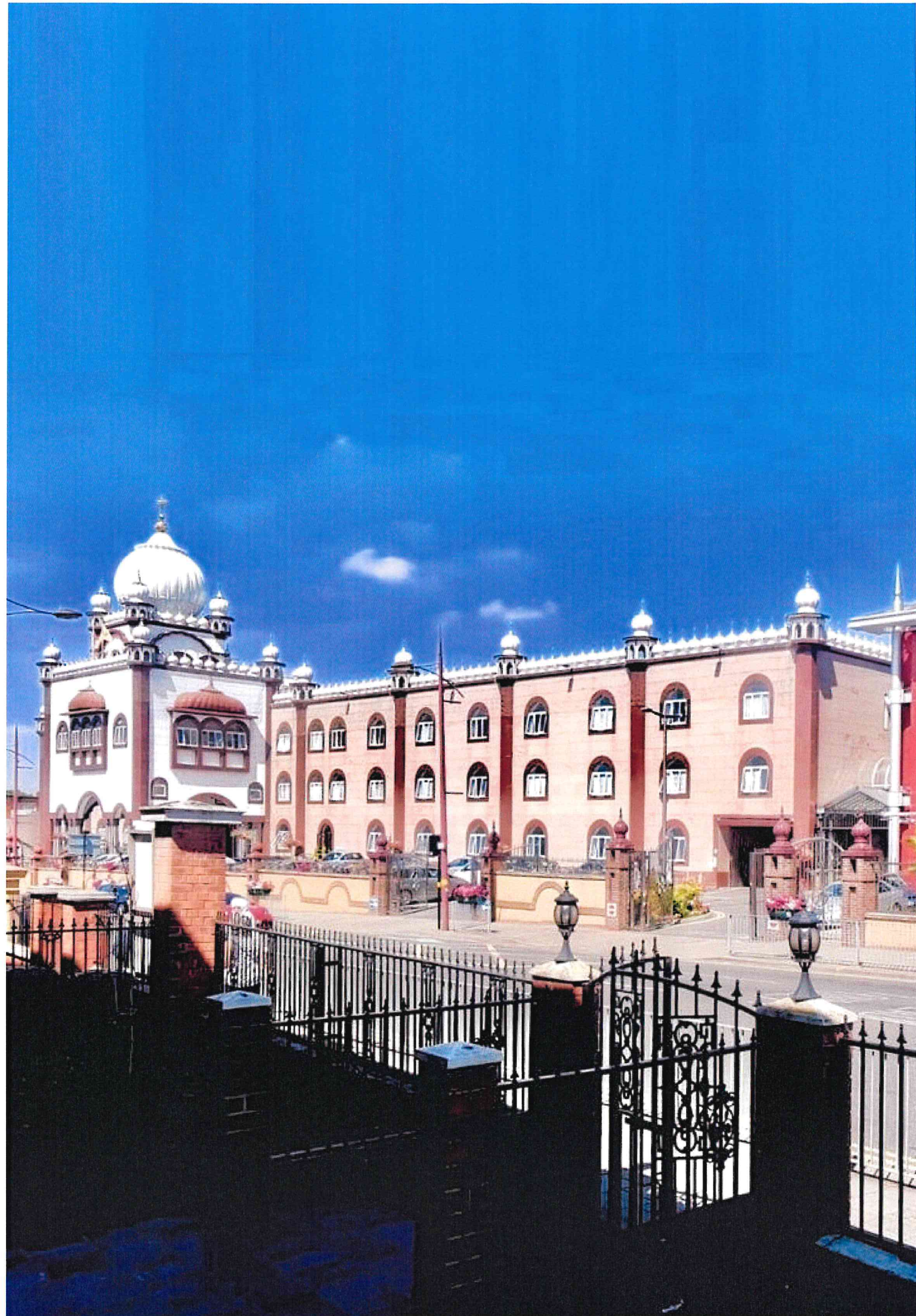


Bhai Sahib Bhai Mohinder Singh Ji meets Prime Minister Theresa May at 10 Downing Street



"When terrorists portray violence as the best way of addressing inequality or grievances, we must answer with non-violence and inclusive decision-making"  
UN chief António Guterres







## 6 Going Concern

After making appropriate enquiries and budgetary planning, the Trust Board has a reasonable expectation that NST 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.

## 7 Financial Review

The Free School's income during the year ended 31 August 2019 was almost entirely obtained from the Education and Skills Funding Agency, the Department for Education and GNNSJ in the form of revenue, capital and other grants. The grants received during the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Net outgoing resources were £727,557

## 8 Principal Risks and Uncertainties

The principle risks and uncertainties that the Directors will monitor in 2019/2020 include;

- Government funding
- Budget
- Staffing
- Pupil applications
- Pupil progress

## 9 Reserves Policy

As at 31 August 2019 the trust held restricted funds of £36,953,801. This is made up of a fixed asset fund of £36,181,286 which is represented by fixed assets, and a general reserve of £772,515 which represents the General Annual Grant surplus which will be carried forward to next year.

## 10 Investment Policy

The Directors' investment powers are governed by the Articles of Association, which permits the Trust's funds, not immediately required, to be invested in furtherance of its objects. The Trust did not engage in any investment of surplus funds during the year under review.

## 11 Auditors

In so far as the Directors are aware:

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

The auditors, Stanley Yule Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the members of the Trust Board and signed on its behalf by:



Dr Brinder Singh Mahon  
Chief Executive and Accounting Officer

Date 23.12.19





## 14 Governance Statement for the Year Ended 31 August 2019

### 12.1 Scope of Responsibility

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

The Trust Board has delegated the day-to-day responsibility to the Chief Executive 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 Nishkam School Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

### 12.2 Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' responsibilities. The Trust Board has formally met four times during the year and are scheduled to meet four times for the following academic year

The Trust has maintained its effective oversight of funds by forming a Finance and Resources Committee which also oversees audit. The committee recommend a scheme of work for internal auditors to be completed independently and objectively ensuring that any recommendations are completed in a timely manner. The monthly management accounts are reviewed by the Chair of the Trust Board, CEO, COO, Chair of the Finance and Resources Committee and an advisor to the Committee. This committee are also scheduled to meet four times in the following academic year. Therefore the Trust Board and sub committee will meet eight times during the academic year.

Attendance during the year at meetings of the governing body was as follows:

	Meetings Attended	Out of Possible
<b>Sarah Evans OBE (Chair)</b> - appointed Dec 2013	4	4
<b>Dr Sarindar Singh Sahota OBE</b> - appointed Jan 2011	3	4
<b>Brinder Singh Mahon OBE</b> - appointed Jan 2011	4	4
<b>Dr Marius Felderhof</b> - appointed Aug 2013	2	4
<b>Shaminder Singh Rai MEB</b> - appointed Feb 2016	0	4
<b>Raminder Kaur Bahra</b> - appointed Nov 2015	4	4
<b>Bhupinder Singh Minhas</b> - appointed July 2015	2	4
<b>Amrik Singh Bhabra MBE</b> – appointed Sep 2016	4	4
<b>Bahader Singh Panesar</b> – appointed 03 Feb 17	2	4

A Finance and Resources Committee, as sub committee of the Trust Board was formed in March 2019 and held two formal meetings during the academic year. The attendance is noted below;

	Meetings Attended	Out of Possible
<b>Brinder Singh Mahon OBE</b>	2	2
<b>Dr Sarindar Singh Sahota OBE</b>	2	2
<b>Bhupinder Singh Minhas</b>	2	2
<b>Amrik Singh Bhabra MBE</b>	2	2

### Review of Value for Money

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

The accounting officer considers how the academy 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 negotiation central contracts and purchasing arrangements, as well as standardisation and consolidation of contracts and operations. To achieve value for money and discounts on services and products.
  - Throughout the year NST has continued to focus on centralising contracts and discounts with various suppliers across a range of goods and services, including memberships and subscriptions.
- NST continually review operations in order to maximise efficiencies where possible.

### **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 on-going process designed to identify and prioritise the risks to the achievement of NST 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 at Nishkam School Trust and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Trust Board has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal on-going process for identifying, evaluating and managing the trust's significant risks that has been in place for the year ending 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board at every formal Directors meeting.

### **The Risk and Control Framework**

NST'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 governing body;

- regular reviews of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Trust Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor for 2018 - 19. However, the Trust Board have appointed Shaminder Singh Rai, as the Chief Operating Officer and Responsible Officer and Baljit Singh Takhar as Financial Controller for the Trust bringing the essential accounting and stewardship skills. With appropriately qualified individuals at the helm stewardship and governance will be further strengthened. The internal control environment is a standing agenda item for the Finance and Resources Committee. The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. On a termly basis the Responsible Officer reports to the Trust Board on the operation of the systems of control and on the discharge of the Trust Boards financial responsibilities. No material weaknesses were noted.

### **Review of Effectiveness**

The accounting officer 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 Responsible Officer;
- work of the external auditor;
- financial management and governance self-assessment process;
- work of the finance team within the trust who have responsibility for the development and maintenance of the internal control framework.


The accounting officer has been advised of the implications of the result of the review of the system of internal control by the Finance and Resources Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Trust Board and signed on its behalf by:



Sarah Evans  
Chair

Date: 23.12.19



Brinder Singh Mahon  
Chief Executive and Accounting Officer

Date: 23.12.19



### 13. Statement on Regularity, Propriety and Compliance for the Year Ended 31 August 2019

As Accounting Officer of Nishkam School Trust I have considered my responsibility to notify the Trust Board and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



Brinder Singh Mahon

Chief Executive and Accounting officer

Date: 23.12.19





Jonathan Slater - Permanent Secretary of the Department for Education, speaking to pupils during his visit to Nishkam High School Birmingham , UK, 17 November 2017



#### 14. Statement of Directors' Responsibilities for the Year Ended 31 August 2019

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and Academies Accounts Direction 2018- 19
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Directors 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 Directors 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 the ESFA/DfE have been applied for the purposes intended.

The Directors 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 Trust Board and signed on its behalf by:

Sarah Evans  
Chair

Date

  
23.12.19



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## Report of the Independent Auditors to the Members of Nishkam School Trust

### Opinion

We have audited the financial statements of Nishkam School Trust (the 'charitable company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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' and the Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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## **Report of the Independent Auditors to the Members of Nishkam School Trust**

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

### **Use of our report**

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

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Report of the Independent Auditors to the Members of  
Nishkam School Trust



Ian Bidmead FCA (Senior Statutory Auditor)  
for and on behalf of Stanley Yule Chartered Accountants  
Statutory Auditors  
Waterside House  
Waterside Business Park  
1649 Pershore Road  
Birmingham  
West Midlands  
B30 3DR

Date: 23.12.2019



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**Independent Reporting Accountant's Assurance Report on Regularity to  
Nishkam School Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Nishkam School Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Nishkam School Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Nishkam School Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Stanley Yule Chartered Accountants  
Waterside House  
Waterside Business Park  
1649 Pershore Road  
Birmingham  
West Midlands  
B30 3DR

Date: 23-12-2019

**NISHKAM SCHOOL TRUST**

**Statement of Financial Activities  
for the year ended 31 August 2019**

					2019	2018
		Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds	Total funds	Total funds
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	-	729	223,669	224,398	10,970,565
Charitable activities						
Funding for the academy's educational operations	3	-	10,153,098	-	10,153,098	8,612,793
Other trading activities	4	719,159	-	-	719,159	570,715
Investment income	5	1,406	-	-	1,406	1,210
Total		720,565	10,153,827	223,669	11,098,061	20,155,283
EXPENDITURE ON						
Charitable activities						
Academy's educational operations		720,565	9,792,336	1,312,717	11,825,618	9,883,251
NET INCOME/(EXPENDITURE)		-	361,491	(1,089,048)	(727,557)	10,272,032
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	(518,179)	-	(518,179)	458,730
Net movement in funds		-	(156,688)	(1,089,048)	(1,245,736)	10,730,762
RECONCILIATION OF FUNDS						
Total funds brought forward		-	929,203	37,270,334	38,199,537	27,468,775
TOTAL FUNDS CARRIED FORWARD		-	772,515	36,181,286	36,953,801	38,199,537

The notes form part of these financial statements



**NISHKAM SCHOOL TRUST**

**Statement of Financial Position  
At 31 August 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	14	16,138	29,325
Tangible assets	15	<u>37,343,806</u>	<u>38,169,573</u>
		<b>37,359,944</b>	<b>38,198,898</b>
 <b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	16	468,375	2,178,812
Cash at bank		<u>2,728,590</u>	<u>2,263,635</u>
		<b>3,196,965</b>	<b>4,442,447</b>
 <b>CREDITORS</b>			
Amounts falling due within one year	17	<u>(1,415,108)</u>	<u>(3,075,808)</u>
 <b>NET CURRENT ASSETS</b>		<u><b>1,781,857</b></u>	<u><b>1,366,639</b></u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>39,141,801</b>	<b>39,565,537</b>
 <b>PENSION LIABILITY</b>	20	<u>(2,188,000)</u>	<u>(1,366,000)</u>
 <b>NET ASSETS</b>		<u><b>36,953,801</b></u>	<u><b>38,199,537</b></u>
 <b>FUNDS</b>	19		
Unrestricted funds:		-	-
Restricted funds:			
Restricted General Funds		2,960,515	2,295,203
Restricted Fixed Asset Funds		36,181,286	37,270,334
Pension Reserve		<u>(2,188,000)</u>	<u>(1,366,000)</u>
		<u><b>36,953,801</b></u>	<u><b>38,199,537</b></u>
 <b>TOTAL FUNDS</b>		<u><b>36,953,801</b></u>	<u><b>38,199,537</b></u>


The notes form part of these financial statements

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NISHKAM SCHOOL TRUST

Statement of Financial Position - continued  
At 31 August 2019

The financial statements were approved by the Board of Trustees on 23.12.19 and were signed on its behalf by:

  
Trustee

The notes form part of these financial statements



# NISHKAM SCHOOL TRUST

## Statement of Cash Flows for the year ended 31 August 2019

	Notes	2019 £	2018 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>713,639</u>	<u>257,230</u>
<b>Net cash provided by (used in) operating activities</b>		<u>713,639</u>	<u>257,230</u>
 <b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(474,158)	(11,193,847)
Capital grants from DfE/ESFA		223,668	10,737,421
Sale of tangible fixed assets		400	-
Capital funding received from sponsors		-	232,246
Interest received		1,406	1,210
Rental income		<u>-</u>	<u>16,922</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(248,684)</u>	<u>(206,048)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		<b>464,955</b>	<b>51,182</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>2,263,635</u>	<u>2,212,453</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>2,728,590</u></u>	<u><u>2,263,635</u></u>

The notes form part of these financial statements

**NISHKAM SCHOOL TRUST**

**Notes to the Statement of Cash Flows  
for the year ended 31 August 2019**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(727,557)</b>	<b>10,272,032</b>
<b>Adjustments for:</b>		
Depreciation	<b>1,313,113</b>	808,309
Capital grants from DfE/ESFA	<b>(223,669)</b>	(10,737,421)
(Profit)/loss on disposal of fixed assets	<b>(400)</b>	72,018
Interest received	<b>(1,406)</b>	(1,210)
Rental income	-	(16,922)
Capital funding received from sponsors	-	(232,246)
Defined benefit scheme finance costs	<b>34,000</b>	35,000
Decrease in debtors	<b>1,710,437</b>	631,512
Decrease in creditors	<b>(1,660,700)</b>	(888,572)
Difference between pension charge and cash contributions	<b><u>269,821</u></b>	<b><u>314,730</u></b>
<b>Net cash provided by (used in) operating activities</b>	<b><u>713,639</u></b>	<b><u>257,230</u></b>

The notes form part of these financial statements



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## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements for the year ended 31 August 2019

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statement of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Nishkam School Trust meets the definition of a public benefit entity under FRS 102.

##### **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 significantly doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

##### **Income**

All incoming resources are recognised when the academy trust has entitlements 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 period is deducted from income and recognised as a liability.

Capital grants are recognised when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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 is provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### **Donations**

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

##### **Other income**

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

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## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements –continued for the year ended 31 August 2019

#### 1. ACCOUNTING POLICIES - continued

##### **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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 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.

##### **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 the activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

##### **Expenditure on 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 not-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.

##### **Intangible assets**

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Computer software - 20% on cost



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## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements –continued for the year ended 31 August 2019

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

	<b>- 25% on cost, 20% on cost and improvements to property</b>
Improvements to property	
Leasehold	<b>- 2% on cost</b>
Fixtures and Fittings	<b>- 25% on cost</b>
Motor Vehicle	<b>- 25% on cost</b>

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.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Nishkam Primary School opened in September 2011. Nishkam High School opened in September 2012. Nishkam School West London opened in September 2013. Assets used specifically in each school have been depreciated from the relevant dates.

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

##### **Financial instruments**

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurements basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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 instrument, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement as already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

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## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements –continued for the year ended 31 August 2019

#### 1. ACCOUNTING POLICIES - continued

##### **Fund accounting**

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

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

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

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

Under the academy's funding agreement there is no limit on the amount of GAG to carry forward from one year to the next.

##### **Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

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

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined 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.



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## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements –continued for the year ended 31 August 2019

#### 1. ACCOUNTING POLICIES - continued

##### **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.

##### **Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### **Leased Assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

##### **Critical accounting estimates and areas of judgement**

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

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 causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

# NISHKAM SCHOOL TRUST

## Notes to the Financial Statements –continued for the year ended 31 August 2019

### 2. DONATIONS AND CAPITAL GRANTS

	2019 £	2018 £
Donations	729	233,144
DfE/ESFA Capital Grants	<u>223,669</u>	<u>10,737,421</u>
	<u><u>224,398</u></u>	<u><u>10,970,565</u></u>

Grants received, included in the above, are as follows:

	2019 £	2018 £
Other grants	<u>223,669</u>	<u>10,737,421</u>

### 3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
DfE/ESFA General Annual Grant	-	10,128,101	10,128,101	8,591,792
Local authority funding	<u>-</u>	<u>24,997</u>	<u>24,997</u>	<u>21,001</u>
	<u><u>-</u></u>	<u><u>10,153,098</u></u>	<u><u>10,153,098</u></u>	<u><u>8,612,793</u></u>

### 4. OTHER TRADING ACTIVITIES

	2019 £	2018 £
Fundraising events	-	3,557
Parental contribution	652,903	482,532
Hire of facilities	40,071	15,712
Catering income	8,631	4,903
Activities for generating funds	<u>17,554</u>	<u>64,011</u>
	<u><u>719,159</u></u>	<u><u>570,715</u></u>

### 5. INVESTMENT INCOME

	2019 £	2018 £
Deposit account interest	<u>1,406</u>	<u>1,210</u>



**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**6. EXPENDITURE**

				2019	2018
	Staff costs	Non-pay expenditure		Total	Total
	£	Premises £	Other costs £	£	£
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	6,255,732	-	806,913	7,062,645	5,674,336
Allocated support costs	<u>1,190,854</u>	<u>626,548</u>	<u>2,945,571</u>	<u>4,762,973</u>	<u>4,208,915</u>
	<u><u>7,446,586</u></u>	<u><u>626,548</u></u>	<u><u>3,752,484</u></u>	<u><u>11,825,618</u></u>	<u><u>9,883,251</u></u>

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Auditors' remuneration	19,300	15,030
Auditors' remuneration for non-audit work	6,120	2,100
Accountancy charges	75,745	41,760
Depreciation - owned assets	1,299,925	795,121
Hire of plant and machinery	34,814	31,368
(Surplus)\deficit on disposal of fixed asset	(400)	72,018
Computer software amortisation	<u>13,187</u>	<u>13,187</u>

**7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

			2019	2018
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Direct costs	-	7,062,645	7,062,645	5,674,336
Support costs	<u>720,565</u>	<u>4,042,408</u>	<u>4,762,973</u>	<u>4,208,915</u>
	<u><u>720,565</u></u>	<u><u>11,105,053</u></u>	<u><u>11,825,618</u></u>	<u><u>9,883,251</u></u>

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**8. CHARITABLE ACTIVITIES – Support costs**

	Management £	Information technology £	Human resources £	Premises Costs £
Academy's educational operations	<u>3,706,916</u>	<u>242,937</u>	<u>51,325</u>	<u>626,548</u>
	Finance costs £	Pension costs £	Governance costs £	Totals £
Academy's educational operations	<u>702</u>	<u>34,000</u>	<u>100,545</u>	<u>4,762,973</u>

**Analysis of support costs**

Support staff costs	1,190,854
Depreciation of tangible fixed assets	1,299,930
Depreciation of intangible fixed assets	13,187
Profit/Loss on sale of fixed assets	(400)
Other support costs	<u>1,203,345</u>
Management	<u>3,706,0916</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2019 nor for the year ended 31 August 2018.

**Trustees' expenses**

During the year ended 31 August 2019, travel and subsistence expenses totalling £2,012 were reimbursed or paid directly to 2 trustees (2018: Nil).



# NISHKAM SCHOOL TRUST

## Notes to the Financial Statements –continued for the year ended 31 August 2019

### 11. STAFF COSTS

	2019 £	2018 £
Wages and salaries	5,420,614	4,408,135
Social security costs	524,346	419,480
Operating costs of defined benefit pension schemes	<u>1,103,343</u>	<u>986,714</u>
	7,048,303	5,814,329
Supply teacher costs	264,279	287,645
Sub-Contractor	<u>134,004</u>	<u>99,419</u>
	<u>7,446,586</u>	<u>6,201,394</u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2019	2018
Teachers	114	83
Educational support staff	28	33
Non-teaching staff	<u>44</u>	<u>48</u>
	<u>186</u>	<u>164</u>

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

	2019	2018
£60,001 - £70,000	4	2
£80,001 - £90,000	1	1
£90,001 - £100,000	<u>1</u>	<u>1</u>
	<u>6</u>	<u>4</u>

### The key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £619,776 (2018: £583,722).

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

Trustees did not receive any remuneration.

# NISHKAM SCHOOL TRUST

## Notes to the Financial Statements –continued for the year ended 31 August 2019

### 12. TRUSTEES' AND OFFICERS' INSURANCE

The charitable company 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.

### 13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	898	-	10,969,667	10,970,565
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	8,612,793	-	8,612,793
Other trading activities	570,715	-	-	570,715
Investment income	1,210	-	-	1,210
<b>Total</b>	<b>572,823</b>	<b>8,612,793</b>	<b>10,969,667</b>	<b>20,155,283</b>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	572,823	8,430,103	880,325	9,883,251
<b>NET INCOME/(EXPENDITURE)</b>	<b>-</b>	<b>182,690</b>	<b>10,089,342</b>	<b>10,272,032</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	-	458,730	-	458,730
<b>Net movement in funds</b>	<b>-</b>	<b>641,420</b>	<b>10,089,342</b>	<b>10,730,762</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>-</b>	<b>287,783</b>	<b>27,180,992</b>	<b>27,468,775</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>-</b>	<b>929,203</b>	<b>37,270,334</b>	<b>38,199,537</b>

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**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**14. INTANGIBLE FIXED ASSETS**

	<b>Computer software £</b>
<b>COST</b>	
At 1 September 2018	<u><b>65,936</b></u>
<b>AMORTISATION</b>	
At 1 September 2018	<b>36,611</b>
Charge for year	<u><b>13,187</b></u>
At 31 August 2019	<u><b>49,798</b></u>
<b>NET BOOK VALUE</b>	
At 31 August 2019	<u><u><b>16,138</b></u></u>
At 31 August 2018	<u><u><b>29,325</b></u></u>



**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**15. TANGIBLE FIXED ASSETS**

	Long leasehold £	Improvement s to property £	Fixtures and fittings £
<b>COST</b>			
At 1 September 2018	26,792,503	12,710,291	1,683,663
Additions	-	50,879	188,873
Disposals	-	-	-
At 31 August 2019	<u>26,792,503</u>	<u>12,761,170</u>	<u>1,872,536</u>
<b>DEPRECIATION</b>			
At 1 September 2018	155,466	1,956,923	946,560
Charge for year	660,020	386,606	224,706
Eliminated on disposal	-	-	-
At 31 August 2019	<u>815,486</u>	<u>2,343,529</u>	<u>1,171,266</u>
<b>NET BOOK VALUE</b>			
At 31 August 2019	<u>25,977,017</u>	<u>10,417,641</u>	<u>701,270</u>
At 31 August 2018	<u>26,637,037</u>	<u>10,753,368</u>	<u>737,103</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 September 2018	66,493	53,662	41,306,612
Additions	-	234,406	474,158
Disposals	(3,000)	-	(3,000)
At 31 August 2019	<u>63,493</u>	<u>288,068</u>	<u>41,777,770</u>
<b>DEPRECIATION</b>			
At 1 September 2018	66,493	11,597	3,137,039
Charge for year	-	28,593	1,299,925
Eliminated on disposal	(3,000)	-	(3,000)
At 31 August 2019	<u>63,493</u>	<u>40,190</u>	<u>4,433,964</u>
<b>NET BOOK VALUE</b>			
At 31 August 2019	<u>-</u>	<u>247,878</u>	<u>37,343,806</u>
At 31 August 2018	<u>-</u>	<u>42,065</u>	<u>38,169,573</u>

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	10,639	5,692
Other debtors	73,004	1,297,074
VAT	202,146	674,902
Prepayments	<u>182,586</u>	<u>201,144</u>
	<u><b>468,375</b></u>	<u><b>2,178,812</b></u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade creditors	412,200	1,450,238
Social security and other taxes	238,799	188,478
Other creditors	174,223	857,680
Accruals and deferred income	365,039	354,902
Accrued expenses	<u>224,847</u>	<u>224,510</u>
	<u><b>1,415,108</b></u>	<u><b>3,075,808</b></u>

**Deferred Income**

	2019	2018
	£	£
Deferred income brought forward less spend	10,137	120,211
Resources deferred during the year	<u>354,902</u>	<u>256,470</u>
	<u><b>365,039</b></u>	<u><b>376,681</b></u>

**18. OPERATING LEASE COMMITMENTS**

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

**Land & Buildings**

	2019	2018
	£	£
Amounts due within one year	217,101	217,101
Amounts due between one and five years	868,404	868,404
Amounts due after five years	<u>2,605,212</u>	<u>3,055,163</u>
	<u><b>3,690,718</b></u>	<u><b>4,410,668</b></u>

**Operating leases**

	2018	2017
	£	£
Amounts due within one year	10,053	14,601
Amounts due between one and five years	20,107	30,161
Amounts due after five years	<u>-</u>	<u>-</u>
	<u><b>30,160</b></u>	<u><b>44,762</b></u>

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

				2019
	Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds	Total funds
	£	£	£	£
Fixed assets	-	-	37,359,944	37,359,944
Current assets	-	3,196,965	-	3,196,965
Current liabilities	-	(236,450)	(1,178,658)	(1,415,108)
Pension liability	-	(2,188,000)	-	(2,188,000)
	<u>-</u>	<u>772,515</u>	<u>36,181,286</u>	<u>36,953,801</u>

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

				2018
	Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds	Total funds
	£	£	£	£
Fixed assets	-	-	38,198,898	38,198,898
Current assets	-	4,442,447	-	4,442,447
Current liabilities	-	(3,075,808)	-	(3,075,808)
Pension liability	-	(1,366,000)	-	(1,366,000)
	<u>-</u>	<u>639</u>	<u>38,198,898</u>	<u>38,199,537</u>

**20. MOVEMENT IN FUNDS**

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
<b>Restricted funds</b>			
Restricted General Funds	2,295,203	665,312	2,960,515
Restricted Fixed Asset Funds	37,270,334	(1,089,048)	36,181,286
Pension Reserve	(1,366,000)	(822,000)	(2,188,000)
	<u>38,199,537</u>	<u>(1,245,736)</u>	<u>36,53,801</u>
<b>TOTAL FUNDS</b>	<u>38,199,537</u>	<u>(1,245,736)</u>	<u>36,953,801</u>



**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**20. MOVEMENT IN FUNDS - Continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted General Funds	720,565	(720,565)	-	-
<b>Restricted funds</b>				
Restricted General Funds	10,153,827	(9,488,515)	-	665,312
Restricted Fixed Asset Funds	223,669	(1,312,717)	-	(1,089,048)
Pension Reserve	-	(303,821)	(518,179)	(822,000)
	10,377,496	(11,105,053)	(518,179)	(1,245,736)
<b>TOTAL FUNDS</b>	<b>11,098,061</b>	<b>(11,825,618)</b>	<b>(518,179)</b>	<b>(1,245,736)</b>

**Comparatives for movement in funds**

	At 1.9.17 £	Net movement in funds £	At 31.8.18 £
<b>Restricted Funds</b>			
Restricted General Funds	1,762,783	532,420	2,295,203
Restricted Fixed Asset Funds	27,180,992	10,089,342	37,270,334
Pension Reserve	(1,475,000)	109,000	(1,366,000)
	27,468,775	10,730,762	38,199,537
<b>TOTAL FUNDS</b>	<b>27,468,775</b>	<b>10,730,762</b>	<b>38,199,537</b>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Unrestricted General Funds	572,823	(572,823)	-	-
<b>Restricted funds</b>				
Restricted General Funds	8,612,793	(8,080,373)	-	532,420
Restricted Fixed Asset Funds	10,969,667	(880,325)	-	10,089,342
Pension Reserve	-	(349,730)	458,730	109,000
	19,582,460	(9,310,428)	458,730	10,730,762
<b>TOTAL FUNDS</b>	<b>20,155,283</b>	<b>(9,883,251)</b>	<b>458,730</b>	<b>10,730,762</b>

# NISHKAM SCHOOL TRUST

## Notes to the Financial Statements –continued for the year ended 31 August 2019

### 20. MOVEMENT IN FUNDS – continued

#### Restricted general funds

These funds relate to Government funding for the provision of education by the Charitable Company. The General Annual Grant is revenue from the ESFA, from which the academy is expected to meet its day to day running cost.

#### Restricted fixed asset funds

These funds include grants used for the building works and the purchase of furniture, equipment and ICT equipment. Fixed asset purchases from Department for Education grants are subject to restrictions under the school's funding agreement with the Department for Education.

The grants are released over the useful life of the acquired assets.

Under the funding agreement with the Secretary of State, the academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

#### Analysis of Academies by Fund Balance

	2019	2018
	£	£
Nishkam Primary School	1,121,220	1,021,259
Nishkam High School	1,405,622	862,578
Nishkam School West London	279,491	284,423
Nishkam School Wolverhampton	154,182	126,943
Total before fixed asset fund and pension reserve	2,960,515	2,295,203
Restricted fixed asset	36,181,286	37,270,334
Actuarial Loss	(2,188,000)	(1,366,000)
Total	36,953,801	38,199,537

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**20. MOVEMENT IN FUNDS – continued  
Analysis of Academies by Cost**

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 £
Nishkam Primary School	1,193,020	268,944	158,921	440,896	2,061,781
Nishkam High School	2,175,643	288,029	180,245	768,691	3,412,608
Nishkam School West London	1,859,527	315,671	179,978	486,025	2,841,201
Nishkam School Wolverhampton	788,085	129,678	84,371	257,399	1,259,533
Central Costs	222,712	205,274	203,400	272,392	903,778
	<u>6,238,987</u>	<u>1,207,596</u>	<u>806,915</u>	<u>2,225,403</u>	<u>10,478,901</u>

**Central Service**

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

	2019 £	2018 £
Consultancy Charges	184,906	103,905
Other Costs	31,822	16,913
Human Resources	42,751	37,913
Technology Costs	199,799	193,016
Educational Supplies	16,514	11,329
Staff Cost	427,986	336,778
	<u>903,778</u>	<u>699,854</u>

The Trust charges for these costs services as follows:

	2019	2018
Nishkam Primary School	217,385	202,933
Nishkam High School	286,905	250,398
Nishkam West London	259,408	140,455
Nishkam School Wolverhampton	140,080	106,068
	<u>903,778</u>	<u>699,854</u>

The trust charges for central services on the following basis:

Pupil number per school,  
Accountancy and audit fees were directly apportioned to the schools.



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## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements –continued for the year ended 31 August 2019

#### 21. PENSION AND SIMILAR OBLIGATIONS

##### Teachers' pension scheme

###### *Introduction*

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

###### *Valuation of the Teachers' Pension Scheme*

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

" employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%)

" total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for services to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million

" an employer cost cap of 10.9% of pensionable pay will be applied to future valuations

" the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The employer's pension costs paid to TPS in the period amounted to £604,342 (2018 - £473,172)

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

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

# NISHKAM SCHOOL TRUST

## Notes to the Financial Statements –continued for the year ended 31 August 2019

### 21. PENSION AND SIMILAR OBLIGATIONS - continued

#### Local government pension scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £272,583 (2018: £236,920), of which employer contributions totalled £230,717 (2018: £173,265) and employees' contribution totalled £41,867 (2018: £42,231). The agreed contributions rates for future years are 14.7% percent for employers and 5.5% percent for employees.

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

The Trust has entered into an agreement with the local government to make additional pension contributions to reduce the deficit over the next 24 months.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Present value of funded obligations	(3,513,000)	(2,402,000)
Fair value of plan assets	<u>1,325,000</u>	<u>1,036,000</u>
	<u>(2,188,000)</u>	<u>(1,366,000)</u>
Deficit	<u>(2,188,000)</u>	<u>(1,366,000)</u>
Liability	<u>(2,188,000)</u>	<u>(1,366,000)</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	499,000	489,000
Net interest from net defined benefit asset/liability	<u>34,000</u>	<u>35,000</u>
	<u>533,000</u>	<u>524,000</u>

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS  
- continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	2,402,000	2,250,000
Current service cost	437,000	489,000
Contributions by scheme participants	74,000	69,000
Interest cost	65,000	59,000
Benefits paid	(60,000)	(2,000)
Curtailments	62,000	-
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(176,000)	-
Actuarial (gains)/losses from changes in financial assumptions	709,000	(463,000)
	<u>3,513,000</u>	<u>2,402,000</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	1,036,000	775,000
Contributions by employer	198,000	178,000
Contributions by scheme participants	74,000	69,000
Benefits paid	(60,000)	(2,000)
Assets return less interest	46,000	(8,000)
Assets interest costs	31,000	24,000
	<u>1,325,000</u>	<u>1,036,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Actuarial (gains)/losses from changes in demographic assumptions	176,000	-
Actuarial (gains)/losses from changes in financial assumptions	(709,000)	463,000
	<u>(533,000)</u>	<u>463,000</u>



**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS  
- continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

**West Midlands Pension Fund**

	2019	2018
Equities	595,000	470,000
Gilts	94,000	53,000
Other Bonds	37,000	28,000
Property	81,000	60,000
Other	147,000	104,000
Cash	36,000	28,000
	<u>990,000</u>	<u>743,000</u>

**London Borough of Hounslow Pension Fund**

	2019	2018
Equities	206,000	180,000
Gilts	18,000	14,000
Other Bonds	30,000	23,000
Property	16,000	15,000
Absolute return portfolio	59,000	54,000
Cash	6,000	7,000
	<u>335,000</u>	<u>293,000</u>

The major categories of the schemes assets as amounts of total scheme assets are as follows:

**West Midlands Pension Fund**

	2019 %	2018 %
Equities	60	63
Government Bonds	9	7
Other Bonds	4	4
Property	8	8
Cash/Liquidity	4	4
Other	15	14
	<u>100</u>	<u>100</u>

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS  
- continued**

**London Borough of Hounslow Pension Fund**

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Equities	<b>61</b>	62
Gilts	<b>5</b>	5
Other Bonds	<b>9</b>	8
Property	<b>5</b>	5
Absolute return portfolio	<b>18</b>	18
Cash	<b>2</b>	2
	<b>100</b>	100

	<b>2019</b>	<b>2018</b>
<b>Sensitivity analysis</b>		
<b>West Midlands Pension Fund</b>		
	<b>2019</b>	<b>2018</b>
Discount Rate	<b>1.9%</b>	2.7%
Future salary increases	<b>3.65%</b>	3.8%
Future pension increases	<b>2.15%</b>	2.3%
Inflation assumption (CPI)0	<b>1.0%</b>	1.0%

**London Borough of Hounslow Fund**

	<b>2019</b>	<b>2018</b>
Discount Rate	<b>1.9%</b>	2.7%
Future salary increases	<b>3.65%</b>	3.8%
Future pension increases	<b>2.15%</b>	2.3%
Inflation assumption (CPI)0	<b>1.0%</b>	1.0%

**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

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

**West Midlands Pension Fund**

	<b>2019</b>	2018
Retiring today		
Males	<b>20.9</b>	21.9
Females	<b>23.2</b>	24.4
Retiring in 20 years		
Male	<b>22.6</b>	24.1
Females	<b>25.1</b>	26.7

**London Borough of Hounslow Pension Fund**

	<b>2019</b>	2018
Retiring today		
Males	<b>20.6</b>	21.5
Females	<b>24.0</b>	25.2
Retiring in 20 years		
Males	<b>22.3</b>	23.7
Females	<b>25.8</b>	27.5



## NISHKAM SCHOOL TRUST

### Notes to the Financial Statements –continued for the year ended 31 August 2019

#### 22. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which directors have an interest. All transactions invoking such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

##### **Guru Nanak Nishkam Sewak Jatha (Birmingham) UK**

An unincorporated charity in which the Patron Mohinder Singh Ahluwalia was a trustee.

In September 2011 Nishkam School Trust entered into a 25 year lease relating to properties at 3 Soho Road and 9 to 11 Soho Road. Guru Nanak Nishkam Sewak Jatha (Birmingham) UK hold the freehold. A leasehold interest was held by Guru Nanak Education Trust.

##### **Guru Nanak Nishkam Education Trust**

A charity in which the Patron Mohinder Singh Ahluwalia was a Trustee.

##### **Nishkam Civic Association**

A Charity in which the Director Professor Upkar Singh Pardessi and the patron Mohinder Singh Ahluwalia were Trustees and the Chief Operation Officer is a director.

##### **Nishkam Security Limited**

A company in which the Patron Mohinder Singh Ahluwalia was a director.

##### **Marg Sat Santokh Manufacturers Limited**

A company in which the Patron Mohinder Singh Ahluwalia was a Director.

##### **Nishkam Pharmacy Ltd**

A 100% owned subsidiary of Nishkam Healthcare Trust in which trustee Mohinder Singh Ahluwalia has significant influence.

	2019	2018
	£	£
<b>Guru Nanak Nishkam Sewak Jatha (Birmingham) UK</b>		
Donation received from GNNSJ		
Rent and service charges paid to GNNSJ	272,234	249,200
Donation paid by GNNSJ	-	232,245
Amount due from GNNSJ	-	63,233
<b>Guru Nanak Nishkam Education Trust</b>		
Rent paid to GNNET	40,203	49,081
Rent fees received from GNNET	12,120	12,000
Goods and services recharged by GNNET	10,492	4,902
Goods and services provided to GNNET	7,160	-
Amount due from GNNET		406
<b>Nishkam Civic Association</b>		
Room hire, staff training and refreshments purchased from NCA	280	1,140
Amount due to NCA		70
<b>Nishkam Security Limited</b>		
Security charges paid to NSL	13,942	12,601
Amount due to NSL	1,701	-

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**NISHKAM SCHOOL TRUST**

**Notes to the Financial Statements –continued  
for the year ended 31 August 2019**

**22. RELATED PARTY DISCLOSURES – continued**

**Marg Sat Santokh Manufactures Limited**

Goods purchased from MSS

**1,279**

**3,378**

Amount due to MSS

**28**

**-**

**Nishkam Pharmacy Limited**

Goods purchased from NPL

**316**

**192**

**23. AGENCY ARRANGEMENTS**

The academy trust distributes funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the academy trust received £7,510 and disbursed £7,291 from the fund

