

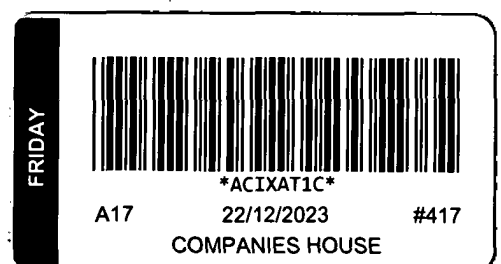


**Nishkam Schools Multi Academy Trust**

**Annual Report and Financial Statements**

**Year ended 31 August 2023**

**Company Limited by Guarantee**  
**Registration Number: 07522245 (England and Wales)**

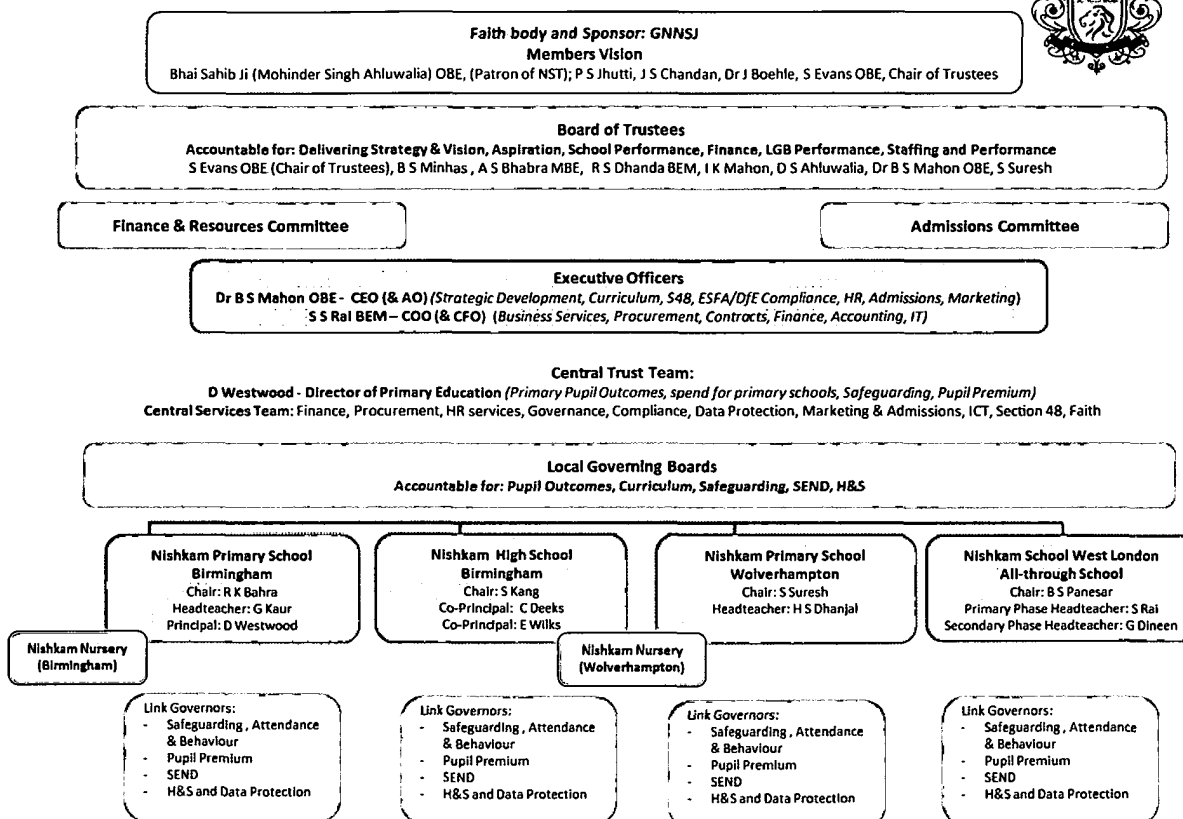


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## Governance and MAT structure

### Nishkam Schools Multi-Academy Trust; Governance and MAT Structure



## Reference and Administrative Details

### Members

Bhai Sahib Mohinder Singh Ahluwalia, Patron of NSMAT  
 Parminder Singh Jhutti  
 Jaswinder Pal Singh Chandan  
 Josef Boehle  
 Sarah Evans Chair of Trustees

### Trustees

Davinder Singh Ahluwalia  
 Amrik Singh Bhabra  
 Ranjit Singh Dhanda  
 Sarah Evans Chair of Trustees  
 Bhupinder Singh Minhas Vice Chair of Trustees  
 Dr Brinder Singh Mahon Chief Executive and Accounting Officer  
 Ishwinder Kaur Mahon  
 Soumya Suresh

**Senior Leadership Team**

Dr Brinder Singh Mahon

Shaminder Singh Rai

Debbie Westwood,

Chris Deeks

Emma Wilks

Gurpreet Kaur

Harmander Singh Dhanjal

Sukhjeet Rai

Gerard Dineen

Chief Executive and Accounting Officer

Chief Operating Officer and Chief Financial Officer

Director of Primary Education and Principal, NPSB

Co-Principal, NHSB

Co-Principal, NHSB

Headteacher, NPSB

Headteacher, NPSW

Primary Headteacher, NSWL

Secondary Headteacher, NSWL

**Company Name**

Nishkam Schools Multi-Academy Trust

**Registered Office Address**

Nishkam High School,  
Great King Street North,  
Birmingham, B19 2LF

**Independent Auditor**

Prime Accountants Group,  
Charter House  
161 Newhall Street  
Birmingham  
B3 1SW

**Bankers**

Lloyds Bank  
25 Colmore Row,  
Birmingham B3 3SF



Nishkam staff from Nishkam Primary School Birmingham and Nishkam Primary School Wolverhampton and Nishkam High School Birmingham discussing Faith and Virtues as part of their continuing professional development., 14<sup>th</sup> October 2022



## Patrons' Message

The Nishkam Schools Multi Academy Trust (NSMAT) 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. NSMAT 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 values 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 Schools Multi-Academy 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 entire Nishkam Team (in Birmingham and London). 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. The Nishkam Schools Multi-Academy Trust are 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 responsibility to provide good quality values-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**

## **Trustees' Report of the Year Ended 31 August 2023**

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

Nishkam Schools Multi-Academy Trust (NSMAT) operates 2 primary schools, 1 secondary school in the West Midlands and 1 all through school in West London. Its schools have a combined pupil capacity of 2940. Once all of the year cohorts at the London school have been taken up the Trust is on track for all schools to be full by 2024.

The Trust would like to report two post balance sheet events. The name of the Trust was formally changed from Nishkam School Trust to Nishkam Schools Multi-Academy Trust with effect from the 16<sup>th</sup> November 2023. Akaal Primary School in the East Midlands has joined the Trust with effect from the 1<sup>st</sup> December 2023.

### **Structure, Governance and Management**

#### **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 Schools Multi-Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Nishkam Schools Multi-Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 3.

#### **Members' Liability**

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

#### **Trustees' Indemnity**

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

#### **Recruitment and Appointment of Trustees**

In accordance with the Articles of Association;

- The number of Trustees cannot be less than three and shall not be subject to any maximum;
- Members can appoint up to ten Trustees;
- Members may appoint Staff Trustees provided that the number of employees including the Chief Executive Officer does not exceed a third of the total number of trustees;
- A minimum of two Parent Trustees unless there are Local Governing Bodies which include two Parent Governors;
- Chief Executive Officer be appointed as a Trustee as agreed by the Board of Trustees;
- Trustees may appoint Co – Opted Trustees. They may not co-opt an employee as Trustee if thereby the number of employees would exceed one third of the total number of Trustees.

#### **Procedures adopted for induction and training of Trustees**

All Trustees 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 Trustees. Trustees can also attend training courses from other organisations including online providers. Bespoke training is scheduled based on their experience and areas of interest. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees.

#### **Organisational Structure**

The Trust Board are responsible for setting the strategic direction for the Trust across the schools. Operational management is the responsibility of the Chief Executive and staff. Trustees approve a scheme of delegation which includes the levels of responsibility for the Trust Board, Executive Team, Senior Leadership 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 setting pay and remunerations of key management personnel.

The published DfE headship guidelines for calculating pay for Executives and School Leaders therefore all such salaries are within these guidelines. (These guidelines are noted in the Remuneration 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 Financial Statements. The Charity, Guru Nanak Nishkam Sewak Jatha (Birmingham) UK is the sponsor for the Trust.

### Engagement with employees (including disabled persons)

The Trust is an inclusive organisation. The Trust is aware of its obligations under the Equality Act 2010 and complies with its non-discrimination provisions. Where relevant other policies include reference to the importance of avoiding discrimination and other prohibited conduct. The Trust aims to eliminate discrimination and other conduct that is prohibited by the Equality Act 2010; advance equality of opportunity between people who share a protected characteristic and people who do not share it and to foster good relations across all characteristics. The Trust consults with staff where appropriate and any other major issues that affect them. A staff survey focusing on their wellbeing was conducted in 2023, which identified a larger proportion of respondents felt well supported with their wellbeing and workload.

### Objectives and Activities

Nishkam Schools Multi-Academy Trust (NSMAT) is a charity which governs the Sikh ethos multi-faith schools established under the Governments' Free School Programme. NSMAT 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). NSMAT has established four schools since 2011, 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 NSMAT in 2014).

Guru Nanak Nishkam Sewak Jatha (Birmingham) UK - GNNSJ is the key proposer for NSMAT. 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.

### 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".**

### Mission



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.

### Our priorities

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



### **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 inter-faith 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.

### **Public Benefit**

The Trustees have given consideration to the Charity Commissions' 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, social and cultural development of each child at the school and of society in a multi-faith multi-cultural environment;
- The mental and physical development is assumed to be covered by the broad and balanced curriculum;
- 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.

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

## **Strategic Report**

### **Achievements and Performance**

#### **Capital support**

The up-front investments made by our proposing body, GNNSJ in acquiring premises and sites for future schools enabled the NSMAT to quickly gain substantial support from the Government in terms of capital and revenue funding for each school. In September 2011 GNNET support enabled NSMAT to open its first primary school at 3 – 11 Soho Road, Handsworth. Subsequently NSMAT opened further schools in Birmingham and North West London, and Wolverhampton. Currently the schools provide full time education to a total of 2560 children, which will rise to over 2940 pupils when the schools are at full capacity.

Since the inception of Nishkam Schools Multi-Academy Trust, 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 £27m 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.

#### **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 was inspected in February 2020 and was awarded an overall rating of 'Good'. NPSW was rated 'Outstanding' in the area of leadership and management. The inspectors noted that 'pupils love to learn at this happy, caring school' and that 'The school's values and virtues are well known by the pupils and are seen in everything that the school does'.

- 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 Virtues 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.

### **This year has seen the following milestones**

In the academic year the focus was centred on reducing any gaps as a result of the loss of teaching time which may have had an impact on pupil progress.

#### **Summary of headlines:**

- Nishkam Primary School Birmingham (since 2011) – continued to improve its KS2 scores in 2023
- Nishkam High School (since 2012) – likely continues in the top 1.5% of schools for progress 8, and in the top 10% for attainment 8 in 2023
- Nishkam School West London; Primary phase – consistently demonstrated exceptional KS2 scores 2023
- Nishkam School West London; Secondary phase – achieved strong GCSE scores for both progress 8 and attainment 8 in the top 1.5% of schools,
- Nishkam Primary School Wolverhampton (joined NSMAT in Sept 2014); was inspected in February 2020 and was graded 'Good' with an element of 'Outstanding' for Leadership and Management; and evidenced a significant progress in KS2 scores
- All schools are oversubscribed despite in a falling local and national birth rates, and in some surrounding schools, failing to fill school places. Applications to the school, places NHSB, the fourth hardest school to get a place in, and NSWL in the top 10 most difficult schools to get into.



## Overall Primary Pupil Outcomes

Across our family of schools there has been generally very strong, improving outcomes placing the schools in the top quintile of schools nationally – please see table below.

Nishkam School Trust 2022-23 Pupil Outcome Summary: Primary Phase								Below national, at national, above national						
Cohort (no.of pupils)	Internal Data							External Data						
	EYFS	YEAR 1	KS1 EXS (GDS)					KS2 EXS (GDS)						
	EYFS GLD	PHONICS	READING	WRITING	MATHS	COMBINED RWM	SCIENCE		READING	WRITING	MATHS	GPS	COMBINED RWM	SCIENCE
All	67%	80%	68%(18%)	59%(8%)	70%(16%)	55% (6%)			73% (28%)	71% (13%)	73% (22%)	72% (28%)	59% (7%)	80%
NPSB EYFS=60 KS1=60 KS2=61	68%	83%	82% (18%)	73% (12%)	78% (17%)	73% (12%)	95%		77% (38%)	80% (21%)	82% (52%)	83% (57%)	75% (21%)	87%
								KS1-2 Progress	2.6	3.8	5.7			
NPSW . EYFS=59 KS1=60 KS2=60	61%	92%	68% (15%)	57% (12%)	67% (15%)	55% (10%)	87%		80% (32%)	87% (15%)	87% (39%)	90% (51%)	75% (8%)	88%
								KS1-2 Progress	2.1	3.1	4.2			
NSWL EYFS=108 KS1= 108 KS2= 56	76%	94%	85% (27%)	75% (17%)	85% (25%)	72% (17%)	86%		93% (48%)	91% (32%)	98% (59%)	96% (71%)	88% (27%)	96%
								KS1-2 Progress	0.2	0.9	2.9			

## Secondary pupil outcomes KS4 (NHSB and NSWL(S))

- Progress scores are estimated to place NSMAT in the top 1.5% of the schools in the UK; strong outcomes for most pupil categories
- NHSB GCSE (All Pupils)- Progress 8 +0.93 and Attainment 8 56.3. Both measures were significantly above both local and National averages, .
- NHSB GCSE (Pupil Premium)- Progress 8 +0.89 and Attainment 8 53.8. Again, both measures were above both local and National averages.
- NSWL(S) GCSE (All Pupils)- Progress 8 +0.93 and Attainment 8 60. Both measures were significantly above both local and National averages, .
- NSWL(S) GCSE (Pupil Premium)- Progress 8 + 1.3 and Attainment 8 60. Again, both measures were above both local and National averages.

Nishkam School Trust 2022-23 Pupil Outcome Summary: Secondary Phase						
Cohort (no of pupils)	External Results 2023					
	A8	P8	9-7 All Subjects	9-4 All Subjects	9-7 Eng & Maths	9-4 Eng & Maths
All	46.47	0	21.60%	67.80%	12.50%	65.50%
Pupil Premium	38.35	-0.41			6.60%	49.10%
NHSB (Total Number - 100)	56.3	0.93	27%	84%	22%	84%
Pupil Premium (Total Num - 26)	53.8	0.89			30%	85%
NSWL (Total Number - 103)	60	0.93	46%	83.70%	31.70%	84%
Pupil Premium (Total Num - 23)	53.3	1.3			21%	67%

## Secondary pupil outcomes KS5 (NHSB)

	Final Exams Attainment	Grade Equivalents
2019	29.90	C
2020	35.22 (CAG)	B-
2021	39.80 (TAG)	B
2022	41.06 Overall 41.95 A level 37.50 Applied	B B+ Distinction+
2023	35.39 Overall 36.64 A level 32 Applied	B- B- Distinction-

A Levels – The Average Point Score (APS) of 35.39. It equates to a Grade B-.

## School Backgrounds

### 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 Schools Multi-Academy 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.

### Nishkam High School including Sixth Form (Current OfSTED Rating - 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.

On 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.

### **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 NSMAT, 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 7<sup>th</sup> 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 far-reaching public consultations and partnership took place, 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 2022-23, the school remains oversubscribed; all school vacancies were filled.

### **Nishkam Primary School, Wolverhampton (Ofsted Good 2020)**

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 a 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 NSMAT to manage the School from September 2014. During the transition period NSMAT oversaw the completion of the building contracts, as well as recruiting a new Headteacher, new teaching staff and increasing the pupil numbers. The NSMAT 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 was 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.



### GNNSJ (Proposer) Contribution

NSMAT 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 (NPSB and NHSB)
- Refurbishment costs to date of a further £0.8 million. (NPSB, NHSB, 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.

### Projects and Initiatives to promote Virtues Education

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

- 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
- Peace Charter for Forgiveness and Reconciliation;** The Charter was adopted as a point of action by Religions of Peace international, one of the largest global inter-faith organisations. 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.
- 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, virtues and values 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
Lectureship in Sikh Studies, Dr Jhutti-Johal, (Jan 02 – Mar 11)	380,453.00
Religions, Civil Society & The UN Dr Martin Stringer, Dr Josef Boehle, (Oct 11 Dec 14)	147,500.00
Religion and Peacebuilding & A Charter for Forgiveness 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 60<sup>th</sup> Anniversary of the United Nations. (St Paul's Cathedral, London, UK).

- **September 2006.** Speaker at the 59<sup>th</sup> 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 61<sup>st</sup> 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 honored 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.)

### Going Concern

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

### Financial Review

The Free School's income during the year ended 31 August 2023 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, totalling £17,995,237 (2022: £16,083,180), of which £14,137,489 (2022: £12,748,325) was received from the ESFA through the General Annual Grant (GAG). Other income totalled £3,857,748 (2022: £3,334,855) and was generated from income streams such as additional grant income, catering income, donations and capital income.

In the year ended 31st August 2023, there was total expenditure of £19,143,569 (2022: £17,112,616) – note 6 in the financial statements. Staff costs amounted for the majority of fund expended which totalled £12,511,813 (2022: £11,447,234) (note 9).

The Trust support staff (all non-teaching staff) are entitled to membership of their respective Local Government Pension Scheme. For the support staff of NHSB, NPSB and NPSW this is the West Midlands Pension Fund, which is administered by West Midlands Council. For the support staff of NSWL, this is the London Borough of Hounslow Pension Fund, which is administered by London Borough Council. The appointed actuary of each scheme has assessed under FRS102 the Trust's share of the total surplus/(deficit) in these scheme as follows:

West Midlands Pension Fund £511,000

London Borough Hounslow Pension Fund £(42,000)

The total LGPS surplus/(deficit) recognised in the Trust's financial statements is therefore £469,000 (2022: £599,000).

### Reserves Policy

As shown in the Statement of Financial Activities on page 28, the combined Restricted General Fund and Unrestricted Fund show a net (deficit)/surplus of £(63,453) (2022: £172,880). This is before the actuarial loss on defined benefit pension schemes and before a contribution of £628,588 towards capital expenditure during the year. Excluding the pension reserve, the combined Restricted General Fund and Unrestricted Fund show a carried forward balance of £3,835,002 (2022: £4,408,592).

The Board of Trustees review the resources of the Trust and recognise the need to have sufficient reserves to protect against reductions in funding. The reserves are held in line with ESFA guidelines. The policy aims to carry forward sufficient funds to meet the Trust's long term aims and objectives. The amount allocated to reserves is to accommodate and manage the tagged pupil funding due to a growth in pupil numbers, capital building developments and uncertainty around Government funding in the future.

### Investment Policy

The Trustees' 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.

### Principal Risks and Uncertainties

The principle risks and uncertainties that the Trustees will monitor in 2022/2023 include;

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

### Streamlined energy and carbon reporting

<b>UK Greenhouse gas emissions and energy use data for the period</b>	<b>01-Sep-22 to 31-Aug-23</b>
Energy consumptions used to calculate emissions (kWh)	2,661,678
Energy Consumption break down (kWh)  Gas Electricity Transport Fuel	
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses Total Scope 1	438.79 55 493.79
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	195.22
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee-owned vehicles	4.76
Total gross emissions in metric tonnes CO2e	693.77
<u>Intensity ratio</u> Tonnes CO2e per pupil	0.3

### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Governments Conversion Factors for Company Reporting

### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratios for the sector.

### Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.



## Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

## Plans for future periods

The popularity of Nishkam schools continue to grow with the increased demand for places in the schools and leaving them oversubscribed. Growth is expected to continue as the Trust focus on following the DfE guidance set out in the white paper 'The case for a fully trust led system' – stating that Trusts should consider a size of a minimum of 10 schools or 7000 pupils e.g. by 2030. Akaal Primary School Derby over this year has undergone a process to join the Trust on 1<sup>st</sup> December 2023. Nishkam leadership is in place to transform the schools education provision.

The faith inspired and virtues led curriculum is a key focus on the Trust strategic plan and deepens the excellence and stretch within the curriculum across a number of subjects – by focussing on key common assessments across the Trust to identify gaps and rapid intervention. In addition as a part of the capacity building programme and building on strengthening senior leadership across the Trust last year, further strengthening of middle leaders is in place, to lead with impact and create capacity throughout the organisation – and in particular to aim for further outstanding inspections.

The intended outcome of the above plans is aimed to lead to strong systems in place to build on already excellent outcomes.

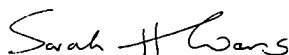
## Auditors

In so far as the Trustees are aware;

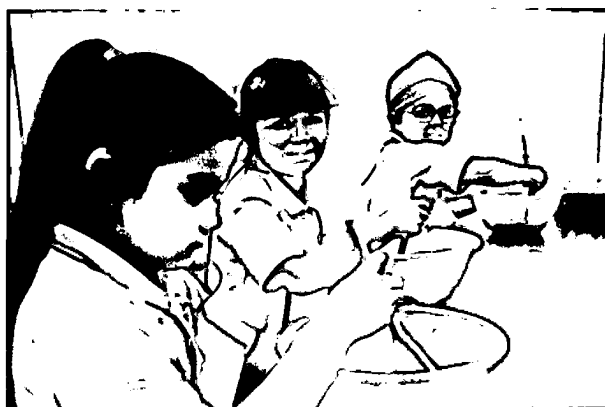
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 19<sup>th</sup> December 2023 and signed on the board's behalf by:



Sarah Evans  
Chair of Trustees



## Governance Statement for the Year Ended 31 August 2023

### Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Nishkam Schools Multi-Academy 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.

As Trustees we have reviewed and taken into account the guidance from the DfE's Governance Handbook and competency framework for governance.

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 Schools Multi-Academy 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.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Trust Board has formally met five times during the year and are scheduled to meet four times for the following academic year. Whilst the full Trust Board have met fewer than six times during the course of the year, the Trustees are of the opinion that they have been able to maintain sufficient oversight of the Trust's finances through the Finance and Resources Committee which also oversees audit.

This committee is 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. The Board completed a self-evaluation in 2022-23.

### Conflicts of interest

Trustees, Governors and Senior employees complete a register of business interests form annually and are requested to update them should the circumstances change. At the beginning of each formal meeting Trustees, Governors and Senior employees are requested to declare any conflicts of interest at the beginning of each meeting and are requested to update their register of business interest forms if appropriate. The website is then updated if any changes are reported.

### NSMAT Trustees Meeting Attendance 2022-23

Name	Meetings Attended	Out of Possible
Davinder Singh Ahluwalia	4	5
Amrik Singh Bhabra	5	5
Ranjit Singh Dhanda	4	5
Sarah Evans Chair of Trustees	5	5
Dr Brinder Singh Mahon Chief Executive and Accounting Officer	5	5
Ishwinder Kaur Mahon	3	5
Dr Christopher Mansell - resigned February 2023	3	3
Bhupinder Singh Minhas	4	5
Soumya Suresh	1	1

### NSMAT Finance and Resources Meeting Attendance 2022-23

	Meetings Attended	Out of Possible
Davinder Singh Ahluwalia	2	3
Bhupinder Singh Minhas	3	3
Amrik Singh Bhabra	2	3
Ranjit Singh Dhanda	2	3

### **Review of Value for Money**

As Accounting Officer, the Chief Executive has responsibility for ensuring that NSMAT 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 of 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 NSMAT has continued to focus on centralising contracts and discounts with various suppliers across a range of goods and services, including memberships and subscriptions.
- NSMAT 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 NSMAT 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 Schools Multi-Academy 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 2023 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 meeting.

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

NSMAT'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 Trust Board;
- 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 Board of Trustees has decided to commission a provider to complete a review of ESFA Income and Payroll.

The reviewer prepared an annual summary report which was presented to the Finance and Resources Committee and the Trust Board, outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions.

### **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 internal reviewer;
- 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 H Evans*

*Dr Brinder Singh Mahon*

Sarah Evans  
Chair of Trustees

Dr Brinder Singh Mahon  
Chief Executive and Accounting Officer

Date: 19<sup>th</sup> December 2023

Date: 19<sup>th</sup> December 2023



## Statement on Regularity, Propriety and Compliance for the Year Ended 31 August 2023

As accounting officer of Nishkam Schools Multi-Academy Trust I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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



Dr Brinder Singh Mahon  
Chief Executive and Accounting officer

Date: 19<sup>th</sup> December 2023



## Statement of Trustees' Responsibilities for the Year Ended 31 August 2023

The Trustees (who act as Directors of Nishkam Schools Multi-Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, 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 applicable law and regulations.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

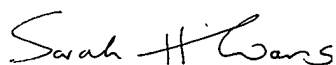
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements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

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

In so far as the trustees are aware:

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

Approved by order of the members of the board of trustees on Monday 19<sup>th</sup> December 2023 and signed on its behalf by:



Sarah Evans  
Chair of Trustees

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NISHKAM SCHOOLS MULTI ACADEMY TRUST**

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### **Opinion**

We have audited the financial statements of Nishkam Schools Multi Academy Trust (the 'charitable company') for the year ended 31 August 2023 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 2022 to 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 2019 and Academies Accounts Direction 2022 to 2023.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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**

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

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

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

### **Other information**

The 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NISHKAM SCHOOLS MULTI ACADEMY TRUST**

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### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the industry sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity including taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NISHKAM SCHOOLS MULTI ACADEMY TRUST

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

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

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

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

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

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC and other relevant parties.

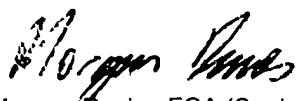
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

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.



Morgan Davies FCA (Senior Statutory Auditor)  
for and on behalf of Prime  
Chartered Accountants  
Statutory Auditor  
161 Newhall Street  
Birmingham  
B3 1SW

Date: 21.12.2023

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NISHKAM SCHOOLS MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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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 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Nishkam Schools Multi Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Nishkam Schools Multi Academy 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 Schools Multi Academy 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 Schools Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Nishkam Schools Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Nishkam Schools Multi Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 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.

The work undertaken to draw to our conclusion includes:

- A review of the risk of material irregularity and impropriety across the Trust's activities;
- A review of governance procedures;
- A review of financial budgeting and monitoring procedures;
- A review of related party transactions in accordance with internal processes and the Academy Trust Handbook;
- A review and sample testing of internal financial controls; and
- A review and sample testing of procurement procedures.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
NISHKAM SCHOOLS MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING  
AGENCY**

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**Conclusion**

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



Prime  
Chartered Accountants  
Reporting Accountant  
161 Newhall Street  
Birmingham  
B3 1SW

Date: **21.12.2023**.....

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

					<b>2023</b>	<b>2022</b>
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	<b>Total funds £</b>	<b>Total funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	<b>15,397</b>	-	<b>220,065</b>	<b>235,462</b>	192,883
<b>Charitable activities</b>						
Funding for the academy's educational operations	3	-	<b>16,799,293</b>	-	<b>16,799,293</b>	14,978,546
Other trading activities	4	<b>959,997</b>	-	-	<b>959,997</b>	911,338
Investment income	5	<b>485</b>	-	-	<b>485</b>	413
<b>Total</b>		<b>975,879</b>	<b>16,799,293</b>	<b>220,065</b>	<b>17,995,237</b>	<b>16,083,180</b>
<b>EXPENDITURE ON Charitable activities</b>						
Academy's educational operations	7	<b>975,879</b>	<b>16,862,746</b>	<b>1,304,944</b>	<b>19,143,569</b>	17,112,616
<b>Total</b>		<b>975,879</b>	<b>16,862,746</b>	<b>1,304,944</b>	<b>19,143,569</b>	<b>17,112,616</b>
<b>NET INCOME/(EXPENDITURE)</b>						
Transfers between funds	18	-	(63,453)	(1,084,879)	(1,148,332)	(1,029,436)
Other recognised gains/(losses)						
Actuarial gains on defined benefit schemes		-	<b>1,186,451</b>	-	<b>1,186,451</b>	4,545,484
<b>Net movement in funds</b>		-	<b>494,410</b>	<b>(456,291)</b>	<b>38,119</b>	3,516,048
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		-	<b>3,809,592</b>	<b>33,155,132</b>	<b>36,964,724</b>	33,448,676
<b>TOTAL FUNDS CARRIED FORWARD</b>		-	<b>4,304,002</b>	<b>32,698,841</b>	<b>37,002,843</b>	<b>36,964,724</b>

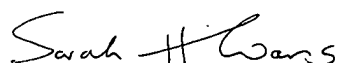
The notes form part of these financial statements

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**STATEMENT OF FINANCIAL POSITION  
31 AUGUST 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	14	33,868,499	34,324,789
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	15	518,755	634,526
Cash at bank and in hand		<u>3,443,076</u>	<u>4,365,928</u>
		3,961,831	5,000,454
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>(1,296,487)</u>	<u>(1,761,519)</u>
<b>NET CURRENT ASSETS</b>		<u>2,665,344</u>	<u>3,238,935</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		36,533,843	37,563,724
<b>PENSION ASSET/(LIABILITY)</b>	19	469,000	(599,000)
<b>NET ASSETS</b>		<u>37,002,843</u>	<u>36,964,724</u>
<b>FUNDS</b>	18		
Restricted funds:			
Restricted General Funds		3,835,002	4,408,592
Restricted Fixed Asset Funds		32,698,841	33,155,132
Pension Reserve		<u>469,000</u>	<u>(599,000)</u>
		<u>37,002,843</u>	<u>36,964,724</u>
<b>TOTAL FUNDS</b>		<u>37,002,843</u>	<u>36,964,724</u>

The financial statements were approved by the Board of Trustees and authorised for issue on .....19 December 2023..... and were signed on its behalf by:



.....  
Sarah Hauldys Evans - Trustee

The notes form part of these financial statements

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(294,749)</u>	<u>767,887</u>
Net cash (used in)/provided by operating activities		<u>(294,749)</u>	<u>767,887</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(848,653)	(189,259)
Capital grants from DfE/EFA		220,065	177,604
Interest received		<u>485</u>	<u>413</u>
Net cash used in investing activities		<u>(628,103)</u>	<u>(11,242)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(922,852)</b>	<b>756,645</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>4,365,928</u></b>	<b><u>3,609,283</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u><u>3,443,076</u></u></b>	<b><u><u>4,365,928</u></u></b>

The notes form part of these financial statements

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(1,148,332)</b>	<b>(1,029,436)</b>
<b>Adjustments for:</b>		
Depreciation charges	1,304,944	1,379,920
Capital grants from DfE/ESFA	(220,065)	(177,604)
Interest received	(485)	(413)
Defined benefit scheme finance costs	25,000	77,000
Decrease/(increase) in debtors	115,771	(230,838)
(Decrease)/increase in creditors	(465,032)	27,774
Difference between pension charge and cash contributions	93,450	721,484
<b>Net cash (used in)/provided by operations</b>	<b><u>(294,749)</u></b>	<b><u>767,887</u></b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.22 £	Cash flow £	At 31.8.23 £
<b>Net cash</b>			
Cash at bank and in hand	<u>4,365,928</u>	<u>(922,852)</u>	<u>3,443,076</u>
	<u>4,365,928</u>	<u>(922,852)</u>	<u>3,443,076</u>
<b>Total</b>	<u><u>4,365,928</u></u>	<u><u>(922,852)</u></u>	<u><u>3,443,076</u></u>

The notes form part of these financial statements

**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 2022 to 2023 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.

**Critical accounting judgements and key sources of estimation uncertainty**

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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**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.



## **NISHKAM SCHOOLS MULTI ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **1. ACCOUNTING POLICIES - continued**

##### **Income**

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.

##### **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.

##### **Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 23.

##### **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.

## NISHKAM SCHOOLS MULTI ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1. ACCOUNTING POLICIES - continued

##### **Expenditure on Raising Funds**

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

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

Assets costing £5,000 or more are capitalised as tangible a fixed assets and are carried at cost, net of depreciation and any provision for impairment. The recognition criteria for any subsequent expenditure is based upon if there are incremental future benefits, which in the case of the Trust can only be measured in terms of exam success combined with enrichment of the children's School life. If these conditions are not met, the replacement expenditure will be expensed to the Statement of Financial Activity.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold property	- 2% and 2.5% on cost
Improvements to property	- 2%, 2.5% and 4% on cost
Fixtures and Fittings	- 25% on cost
Motor vehicles	- 10% on cost
Computer equipment	- 25% on cost

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

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.

**1. ACCOUNTING POLICIES - continued**

**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 15. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement 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.

**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 quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

## NISHKAM SCHOOLS MULTI ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

#### 1. ACCOUNTING POLICIES - continued

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

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 interests 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.

##### 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.

#### 2. DONATIONS AND CAPITAL GRANTS

	2023 £	2022 £
Donations	15,397	15,279
DfE/ESFA Capital Grants	<u>220,065</u>	<u>177,604</u>
	<u>235,462</u>	<u>192,883</u>

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

	2023 £	2022 £
DfE Capital Grant	<u>220,065</u>	<u>177,604</u>

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

			<b>2023</b>	<b>2022</b>
	Unrestricted funds £	Restricted funds £	<b>Total funds £</b>	<b>Total funds £</b>
<b>DfE/ESFA grants</b>				
General Annual Grant	-	14,137,489	14,137,489	12,748,325
Other DfE/ESFA grants	-	716,293	716,293	627,534
Pupil Premium	-	1,369,199	1,369,199	1,319,817
Others	-			
	-	16,222,981	16,222,981	14,695,676
<b>Other Government Grants</b>				
Local authority grants	-	576,312	576,312	282,870
	-	576,312	576,312	282,870
<b>Total income</b>	-	16,799,293	16,799,293	14,978,546

**4. OTHER TRADING ACTIVITIES**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Parental contribution	767,992	771,028
Hire of facilities	120,827	54,125
Catering	1,059	6,598
Activities for generating funds	70,119	79,587
	<b>959,997</b>	<b>911,338</b>

**5. INVESTMENT INCOME**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deposit account interest	<b>485</b>	<b>413</b>

# NISHKAM SCHOOLS MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 6. EXPENDITURE

	Non-pay expenditure			2023	2022
	Staff costs £	Premises £	Other costs £	Total £	Total £
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	10,587,746	-	3,123,110	13,710,856	11,090,710
Allocated support costs	1,902,720	1,769,419	1,760,574	5,432,713	6,021,906
	<u>12,490,466</u>	<u>1,769,419</u>	<u>4,883,684</u>	<u>19,143,569</u>	<u>17,112,616</u>

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

	2023 £	2022 £
Auditor's remuneration	24,056	16,185
for non-audit work	1,750	5,125
Depreciation - owned assets	1,304,943	1,379,920
Hire of plant and machinery	-	921
Other operating leases	<u>301,122</u>	<u>-</u>

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

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Direct costs	-	13,710,856	13,710,856	11,090,710
Support costs	975,879	4,456,834	5,432,713	6,021,906
	<u>975,879</u>	<u>18,167,690</u>	<u>19,143,569</u>	<u>17,112,616</u>

	2023 Total £	2022 Total £
<b>Analysis of support costs</b>		
Support staff costs	1,902,720	1,619,662
Depreciation	-	712,495
Technology costs	295,220	667,676
Premises costs	1,769,419	974,674
Non educational contracts	288,027	-
Catering	454,951	492,942
Insurance	-	21,996
Cleaning	315,685	-
Other support costs	306,715	1,433,211
Interest on pension	25,000	-
Governance costs	<u>74,976</u>	<u>99,250</u>
Total support costs	<u>5,432,713</u>	<u>6,021,906</u>

# **NISHKAM SCHOOLS MULTI ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023**

### **8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2023 £	2022 £
Teaching and educational support staff	10,587,747	9,827,572
Technology costs	108,262	-
Educational supplies	938,909	1,101,805
Examination fees	150,354	68,172
Staff development	-	67,242
Educational consultancy	212,975	25,919
School trips and visits	272,314	-
Depreciation	1,304,944	-
Other supplies and services	2,390	-
Indirect employee expenses	132,961	-
	<u>13,710,856</u>	<u>11,090,710</u>

### **9. STAFF COSTS**

	2023 £	2022 £
Wages and salaries	8,997,788	7,588,492
Social security costs	892,038	782,586
Operating costs of defined benefit pension schemes	2,001,162	2,394,215
	<u>11,890,988</u>	<u>10,765,293</u>
Supply teacher costs	476,103	531,120
Sub-contractor costs	123,376	150,821
	<u>12,490,467</u>	<u>11,447,234</u>

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

	2023	2022
Teachers	126	115
Educational support staff	45	31
Non-teaching staff	90	37
	<u>261</u>	<u>183</u>

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

	2023	2022
£60,001 - £70,000	8	6
£70,001 - £80,000	3	2
£80,001 - £90,000	1	-
£90,001 - £100,000	2	1
£110,000 - 120,000	-	1
	<u>14</u>	<u>10</u>

## NISHKAM SCHOOLS MULTI ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

#### 9. STAFF COSTS - continued

##### 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 £894,621 (2022: £656,196).

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.

The average number of persons (including senior management team) employed by the charitable company expressed as a full time equivalent was as follows:

	2023	2022
Teachers	123	115
Educational support staff	31	31
Non-teaching staff	46	37
	200	183

#### 10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

During the year, one trustee (2022: None) was reimbursed for travel and subsistence expenses totalling £2,541(2022: £Nil). There was no trustees' remuneration for the year ended 31 August 2023 nor for the year ended 31 August 2022.

#### 11. 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.

#### 12. 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	15,279	-	177,604	192,883
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	14,978,546	-	14,978,546
Other trading activities	911,338	-	-	911,338
Investment income	413	-	-	413
<b>Total</b>	<b>927,030</b>	<b>14,978,546</b>	<b>177,604</b>	<b>16,083,180</b>



**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	927,030	14,805,666	1,379,920	17,112,616
<b>Total</b>	<u>927,030</u>	<u>14,805,666</u>	<u>1,379,920</u>	<u>17,112,616</u>
<b>NET INCOME/(EXPENDITURE)</b>	-	172,880	(1,202,316)	(1,029,436)
<b>Transfers between funds</b>	-	(11,658)	11,658	-
<b>Other recognised gains/(losses)</b>				
Actuarial gains on defined benefit schemes	-	4,545,484	-	4,545,484
<b>Net movement in funds</b>	-	4,706,706	(1,190,658)	3,516,048
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	-	(897,114)	34,345,790	33,448,676
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>-</u>	<u>3,809,592</u>	<u>33,155,132</u>	<u>36,964,724</u>

**13. INTANGIBLE FIXED ASSETS**

	Computer software £
<b>COST</b>	
At 1 September 2022 and 31 August 2023	<u>65,936</u>
<b>AMORTISATION</b>	
At 1 September 2022 and 31 August 2023	<u>65,936</u>
<b>NET BOOK VALUE</b>	
At 31 August 2023	<u>-</u>
At 31 August 2022	<u>-</u>

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**14. TANGIBLE FIXED ASSETS**

	Long leasehold £	Improvements to property £	Fixtures and fittings £
<b>COST</b>			
At 1 September 2022	27,094,921	13,034,031	996,899
Additions	-	614,922	-
At 31 August 2023	27,094,921	13,648,953	996,899
<b>DEPRECIATION</b>			
At 1 September 2022	2,816,204	3,517,589	750,335
Charge for year	667,607	392,049	100,559
At 31 August 2023	3,483,811	3,909,638	850,894
<b>NET BOOK VALUE</b>			
At 31 August 2023	23,611,110	9,739,315	146,005
At 31 August 2022	24,278,717	9,516,442	246,564
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 September 2022	42,087	635,724	41,803,662
Additions	182,900	50,831	848,653
At 31 August 2023	224,987	686,555	42,652,315
<b>DEPRECIATION</b>			
At 1 September 2022	42,087	352,658	7,478,873
Charge for year	7,240	137,488	1,304,943
At 31 August 2023	49,327	490,146	8,783,816
<b>NET BOOK VALUE</b>			
At 31 August 2023	175,660	196,409	33,868,499
At 31 August 2022	-	283,066	34,324,789

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023	2022
	£	£
Trade debtors	160,015	23,663
Other debtors	-	67,829
VAT	116,242	387,628
Accrued income	104,944	-
Prepayments	137,554	155,406
	<u>518,755</u>	<u>634,526</u>

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

	2023	2022
	£	£
Trade creditors	413,541	654,583
Social security and other taxes	444,887	380,690
Other creditors	123,480	137,061
Deferred income	155,866	-
Accrued expenses	158,713	589,185
	<u>1,296,487</u>	<u>1,761,519</u>

**Deferred Income**

	2023	2022
	£	£
Deferred income brought forward less spend	-	481,188
Resources deferred during the year	155,684	(481,188)
	<u>155,684</u>	<u>-</u>

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

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds	2023 Total funds
	£	£	£	£
Fixed assets	-	-	33,868,499	33,868,499
Current assets	-	3,961,831	-	3,961,831
Current liabilities	-	(126,829)	(1,169,658)	(1,296,487)
Pension asset/(liability)	-	469,000	-	469,000
	<u>-</u>	<u>4,304,002</u>	<u>32,698,841</u>	<u>37,002,843</u>

# NISHKAM SCHOOLS MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

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

			2022	
	Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds	Total funds
	£	£	£	£
Fixed assets	-	-	34,324,789	34,324,789
Current assets	-	5,000,454	-	5,000,454
Current liabilities	-	(591,862)	(1,169,657)	(1,761,519)
Pension asset/(liability)	-	(599,000)	-	(599,000)
	<u>-</u>	<u>3,809,592</u>	<u>33,155,132</u>	<u>36,964,724</u>

### 18. MOVEMENT IN FUNDS

	At 1.9.22	Net movement in funds	Transfers between funds	At 31.8.23
	£	£	£	£
<b>Restricted general funds</b>				
Restricted General Funds	4,408,592	54,998	(628,588)	3,835,002
Restricted Fixed Asset Funds	33,155,132	(1,084,879)	628,588	32,698,841
Pension Reserve	(599,000)	1,068,000	-	469,000
	<u>36,964,724</u>	<u>38,119</u>	<u>-</u>	<u>37,002,843</u>
<b>TOTAL FUNDS</b>	<u>36,964,724</u>	<u>38,119</u>	<u>-</u>	<u>37,002,843</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Restricted general funds</b>				
Restricted General Funds	16,799,293	(16,744,295)	-	54,998
Restricted Fixed Asset Funds	220,065	(1,304,944)	-	(1,084,879)
Pension Reserve	-	(118,451)	1,186,451	1,068,000
	<u>17,019,358</u>	<u>(18,167,690)</u>	<u>1,186,451</u>	<u>38,119</u>
<b>Unrestricted fund</b>				
Unrestricted General Funds	975,879	(975,879)	-	-
	<u>975,879</u>	<u>(975,879)</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>17,995,237</u>	<u>(19,143,569)</u>	<u>1,186,451</u>	<u>38,119</u>

# NISHKAM SCHOOLS MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 18. MOVEMENT IN FUNDS - continued

#### Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
<b>Restricted general funds</b>				
Restricted General Funds	3,448,886	971,364	(11,658)	4,408,592
Restricted Fixed Asset Funds	34,345,790	(1,202,316)	11,658	33,155,132
Pension Reserve	<u>(4,346,000)</u>	<u>3,747,000</u>	<u>-</u>	<u>(599,000)</u>
	<u>33,448,676</u>	<u>3,516,048</u>	<u>-</u>	<u>36,964,724</u>
<b>TOTAL FUNDS</b>	<u>33,448,676</u>	<u>3,516,048</u>	<u>-</u>	<u>36,964,724</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
Restricted General Funds	14,978,546	(14,007,182)	-	971,364
Restricted Fixed Asset Funds	177,604	(1,379,920)	-	(1,202,316)
Pension Reserve	<u>-</u>	<u>(798,484)</u>	<u>4,545,484</u>	<u>3,747,000</u>
	<u>15,156,150</u>	<u>(16,185,586)</u>	<u>4,545,484</u>	<u>3,516,048</u>
<b>Unrestricted fund</b>				
Unrestricted General Funds	927,030	(927,030)	-	-
<b>TOTAL FUNDS</b>	<u>16,083,180</u>	<u>(17,112,616)</u>	<u>4,545,484</u>	<u>3,516,048</u>

#### 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 2023.

# **NISHKAM SCHOOLS MULTI ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023**

### **18. MOVEMENT IN FUNDS - continued**

#### **Analysis of Academies by Fund Balance**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Nishkam High School	<b>2,083,395</b>	2,123,556
Nishkam Primary School	<b>1,365,318</b>	1,421,164
Nishkam School West London	<b>449,939</b>	442,235
Nishkam Shool Wolverhampton	<b>(327,467)</b>	197,616
Nishkam School Trust	<b>263,818</b>	224,021
	<b>3,835,003</b>	4,408,592
Total before fixed asset fund and pension reserve	<b>32,698,841</b>	33,155,132
Restricted fixed asset	<b>469,000</b>	(599,000)
Actuarial Loss		
<b>Total</b>	<b>37,002,844</b>	<b>36,964,724</b>

#### **Analysis of Academies by Cost**

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

	<b>Teaching and educational support staff costs</b>	<b>Other support staff costs</b>	<b>Educational supplies</b>	<b>Other costs excluding depreciation</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Nishkam High School	2,880,421	280,104	723,421	904,965	4,788,911
Nishkam Primary School	1,374,430	299,610	228,175	532,034	2,434,249
Nishkam School Wolverhampton	1,568,666	197,393	153,387	556,085	2,475,531
Nishkam School West London	4,630,034	668,219	631,785	1,264,821	7,194,859
Nishkam School Trust	134,195	457,394	81,399	272,087	945,075
	<b>10,587,746</b>	<b>1,902,720</b>	<b>1,818,167</b>	<b>3,529,992</b>	<b>17,838,625</b>

## NISHKAM SCHOOLS MULTI ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

#### 18. MOVEMENT IN FUNDS - continued

##### Central Service

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

	2023 £	2022 £
Educational Supplies	46,023	27,636
Consultancy Charges	20,176	25,245
Other Costs	72,277	11,221
Human Resources	120,625	39,825
Technology Costs	19,509	15,314
Government Costs	74,876	99,250
Staff Cost	591,589	437,387
Depreciation	6,932	10,496
	<u>952,007</u>	<u>666,374</u>

The Trust charges for these costs services as follows:

	2023	2022
Nishkam High School	290,592	263,184
Nishkam Primary School	126,516	120,756
Nishkam School Wolverhampton	125,964	56,448
Nishkam School West London	402,768	329,484
	<u>945,840</u>	<u>769,872</u>

The trust charges for central services on the following basis: 5% of total revenue for primary schools and 6% total revenue for secondary schools.

#### 19. PENSION AND SIMILAR OBLIGATIONS

##### Teachers' pension scheme

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

**Valuation of the teachers' pension scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £1,425,428 (2022 - £1,307,678).

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

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £619,821 (2022: £476,686), of which employer's contributions totalled £493,549 (2022: £363,579) and employees' contributions totalled £126,272 (2022: £104,107). The agreed contribution rates for future years are 21.60 per cent for employers and between 5.5 and 12.5 per cent for employees.

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



**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

The amounts recognised in the Statement of Financial Position are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<b>(3,761,000)</b>	<b>(4,220,000)</b>
Fair value of plan assets	<b><u>4,230,000</u></b>	<b><u>3,621,000</u></b>
	<b>469,000</b>	<b>(599,000)</b>
Present value of unfunded obligations	<b>-</b>	<b>-</b>
Surplus/(Deficit)	<b><u>469,000</u></b>	<b><u>(599,000)</u></b>
Net asset/(liability)	<b><u>469,000</u></b>	<b><u>(599,000)</u></b>

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>587,000</b>	<b>1,092,000</b>
Net interest from net defined benefit asset/liability	<b>191,000</b>	<b>137,000</b>
Past service cost	<b>-</b>	<b>-</b>
	<b><u>778,000</u></b>	<b><u>1,229,000</u></b>
Actual return on plan assets	<b><u>7,000</u></b>	<b><u>(1,000)</u></b>

**NISHKAM SCHOOLS MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2023**

**19. 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>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	4,220,000	7,632,000
Current service cost	587,000	1,092,000
Contributions by scheme participants	136,000	103,000
Interest cost	190,000	136,000
Benefits paid	29,000	4,000
Experience loss(gain) on defined benefit obligation	63,000	18,000
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(144,000)	(76,000)
Actuarial (gains)/losses from changes in financial assumptions	(1,320,000)	(4,689,000)
	<u>3,761,000</u>	<u>4,220,000</u>

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

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	3,621,000	3,286,000
Experience loss(gain) on fair value of scheme assets	(23,000)	-
Contributions by employer	478,000	368,000
Contributions by scheme participants	136,000	103,000
Expected return	(1,000)	(1,000)
Actuarial gains/(losses)	8,000	-
Benefits paid	29,000	4,000
Assets return less interest	(184,000)	(199,000)
Assets interest costs	166,000	60,000
	<u>4,230,000</u>	<u>3,621,000</u>

# NISHKAM SCHOOLS MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 19. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2023	2022
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	144,000	76,000
Actuarial (gains)/losses from changes in financial assumptions	1,320,000	4,689,000
	<u>1,464,000</u>	<u>4,765,000</u>

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

	Defined benefit pension plans	
	2023	2022
	£	£
Equities	2,829,000	2,401,000
Gilts	62,000	48,000
Absolute return portfolio	156,000	136,000
Other Bonds	734,000	656,000
Cash/liquidity	167,000	110,000
Other	22,000	-
Property	260,000	262,000
Infrastructure	-	8,000
	<u>4,230,000</u>	<u>3,621,000</u>

	West Midlands Pension Fund		London Borough of Hounslow Pension Fund	
	2023	2022	2023	2022
Equities	1,993,000	1,770,000	836,000	631,000
Gilts	-	-	62,000	48,000
Absolute Return Portfolio	-	-	156,000	136,000
Other Bonds	616,000	555,000	118,000	101,000
Cash/liquidity	117,000	105,000	50,000	5,000
Other	-	-	-	-
Property	205,000	211,000	55,000	51,000
Infrastructure	-	-	22,000	8,000
	<u>2,931,000</u>	<u>2,641,000</u>	<u>1,299,000</u>	<u>980,000</u>

# NISHKAM SCHOOLS MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 19. PENSION AND SIMILAR OBLIGATIONS - continued

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

	West Midlands Pension Fund		London Borough of Hounslow Pension Fund	
	2023	2022	2023	2022
	%	%	%	%
Equities	68	67	64	64
Gilts	-	-	5	5
Absolute Return Portfolio	-	-	12	14
Other Bonds	21	21	9	10
Cash/liquidity	4	4	4	1
Other	-	-	-	-
Property	7	8	4	5
Infrastructure	-	-	2	1
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2023	2022
Discount rate	5.25%	4.22%
Future salary increases	3.93%	3.97%
Future pension increases	2.93%	2.97%

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

Retiring today		
Males	20.7	21
Females	23.2	23
Retiring in 20 years		
Males	21.1	23
Females	24.5	25

Sensitivity analysis		
	2023	2022
	£	£
Discount rate +0.1%	2,855	1,132
Discount rate -0.1%	2,747	1,207
Mortality assumption - 1 year increase	4,665	1,204
Mortality assumption - 1 year decrease	4,437	1,135
CPI rate +0.1%	2,826	1,206
CPI rate -0.1%	2,656	1,133

## NISHKAM SCHOOLS MULTI ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

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#### 20. CAPITAL COMMITMENTS

	2023 £	2022 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>848,373</u>

#### 21. 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 the trustees 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. The following related party transactions took place in the financial period.

# NISHKAM SCHOOLS MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

### 21. RELATED PARTY DISCLOSURES - continued

#### **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.

	2023	2022
	£	£
<b>Guru Nanak Nishkam Sewak Jatha (Birmingham) UK</b>		
Donation received from GNNSJ		
Rent and service charges paid to GNNSJ	292,995	273,634
<b>Guru Nanak Nishkam Education Trust</b>		
Rent paid to GNNET	53,279	40,203
Rent fees received from GNNET	12,000	12,000
Goods and services recharged by GNNET	19,944	4,949
Goods and services provided to GNNET	4,126	6,598
Amount due from GNNET	2,234	5,406
Amount due from GNNET	-	4,949
<b>Nishkam Civic Association</b>		
Room hire, staff training and refreshments purchased from NCA	6,562	600
<b>Nishkam Security Limited</b>		
Security charges paid to NSL	26,090	14,552
<b>Marg Sat Santokh Manufacturers Limited</b>		
Goods purchased from MSS	319	911
<b>Nishkam Pharmacy Limited</b>		
Goods purchased from NPL	947	1,857
Amount due to NHT	1,305	112

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the charitable company's financial regulations and normal procurement procedures relating to connected and related party transactions.

## NISHKAM SCHOOLS MULTI ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

#### 22. POST BALANCE SHEET EVENTS

Since the year end on 16 November the Trust changed its name to Nishkam Schools Multi-Academy Trust.

On 1 December 2023, Akaal Primary School in Derby has been incorporated into the Trust.

#### 23. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £23,669 and disbursed £18,400 from the fund. An amount of £6,519 is included in other creditors relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2022 are £18,506 received, £15,574 disbursed and £1,836 included in other creditors.

#### 24. OPERATING LEASE COMMITMENTS

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

##### Land & Buildings

	2023	2022
	£	£
Amounts due within one year	233,475	233,475
Amounts due between one and five years	933,900	933,900
Amounts due after five years	2,100,652	2,334,127
	<u>3,268,027</u>	<u>3,501,502</u>

##### Operating leases

	2023	2022
	£	£
Amounts due within one year	78,364	128,953
Amounts due between one and five years	95,218	93,863
Amounts due after five years	-	-
	<u>173,582</u>	<u>222,816</u>



to empower children  
with virtues,  
to enable them to  
excel academically  
& spiritually,  
enabling them to  
serve humanity  
selflessly, with an abundance of  
love, compassion, & forgiveness

