

**Company Registration Number: 07954683 (England and Wales)**

**Khalsa Education Trust  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements  
Year ended 31 August 2023**

## **Khalsa Education Trust**

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## Khalsa Education Trust

### Reference and Administrative Details

Members	Mr Hardev Singh Sidhu (Chair) Dr Jatinder Singh Mehmi Mr Palvinder Singh
Trustees	Mr Hardev Singh Sidhu* (resigned 3 October 2023) Mr Harnek Bhullar Singh * (Chair) Mr Rashpal Singh Sagoo* Mrs Angelique O'Garro (resigned 7 March 2023) Mrs Harsimran Kaur Deagon* Mr Stuart Jolley (resigned 16 January 2023) Mr Jordan License (resigned 3 October 2023) Mr Sukhdev Singh Mrs Deborah Kenny * (resigned 10 February 2023) Mrs Julie Harkness (resigned 8 March 2023) Mr Sandeep Singh Lall * (resigned 7 March 2023) Mr Bhagat Singh Kular * (resigned 28 March 2023) Mrs Sarah Louise Rai (resigned 16 May 2023) Mrs Deborah Westwood (appointed 3 October 2023) Mrs Harmander Singh Dhanjal (appointed 5 October 2023) Dr Brinder Singh Mahon Obe * (appointed 5 October 2023)  * members of the finance committee
Company Secretary	Harnek Bhullar Singh
Senior Management Team	Mrs Deborah Kenny (Executive principal) (resigned 10 February 2023) Mr Jordon Licence (Head of School) Mrs Sarah Rai (Assistant Principal) Mrs Lauren Daniels (Assistant Principal) Debbie Westwood (Executive headteacher) (appointed 1 September 2023)
Company Name	Khalsa Education Trust
Principal Office	Fir Tree Rise Leeds LS17 7EZ
Registered Office	24 Station Road Ossett Wakefield WF5 8AD
Company Registration Number	07954683 (England and Wales)

**Khalsa Education Trust**

**Reference and Administrative Details (continued)**

Independent Auditor	Gibson Booth Chartered Accountants and Statutory Auditors New Court Abbey Road North Shepley Huddersfield HD8 8BJ
Bankers	Lloyds Bank 17 Westgate Wakefield WF1 1JZ
Solicitors	Michelmore LLP Woodwater House Pynes Hill Exeter EX2 5WR

## **Trustees' Report**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period from 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.

The Trust operates Primley Wood Primary School (PWPS), formerly known as Khalsa Science Academy (KSA), a one form entry primary school for 210 pupils which opened on 1 September 2013.

The school opened in 2013 as a Free School and moved into its new purpose-built building in January 2017. The move was a significant distance for some families from its first location, and this has been an issue for the academy.

Since the previous report, the school continues to grow steadily and there are currently 233 children on role from Reception to Year 6 and 48 children in the Nursery and 2 year old provision which opened in September 2021. In October 2022 two new classes were opened at the request of the LA to accommodate children new to Leeds 17 for whom there were no places in local schools. These classes have been fully funded by the LA and children have been admitted to a Year 2 / 3 class and a Year 6 class.

Although classes are mostly full across school the Board of Trustees (BoT) continue to have a clear marketing plan to promote the school and ensure its sustainability as pupil numbers are decreasing in the area. The new name, adopted in September 2020 has impacted on the popularity of the school as it has provided clarity to the local community around the inclusive character based on the Sikh Ethos and location.

The school continues to be good (OFSTED December 2019) and has responded very effectively to the gaps in learning brought about by the pandemic. Trustees are ambitious for the school and the leadership team are working hard to build on the good OFSTED judgement. Over the past year, any members of staff for whom there were concerns regarding the quality of teaching and learning and/or in implementing the vision, are leaving the school and will be replaced by experienced and effective practitioners. As per all schools, this is an ongoing status for PWPS, as we renew and refresh the team to enable our required developments, and building upon previous progress in maintaining quality of education.

Ensuring the effectiveness of schools is a team effort and that involves collective hard work, diligence and thought, over many long hours. Despite the improvements over the last three years there is a strong commitment to continued school improvement. There is no complacency around building on our successes and addressing, with rigour, the key issues for action in order to take the school further forward.

Driven by the Trustees, as from September 2023, the school has entered into a collaborative partnership with Nishkam Schools Trust (NST), because this one form, single academy, school requires access to outstanding expertise and resources, that will have positive impact on leadership, and teaching and learning. The Executive Headteacher is a proven strategic leader, with the support of her team from the NST. This illustrates the intentions of the school leaders to push ahead to become a stronger good (OFSTED) school. The trustees know that significant transition is required during this current year, 2023-24, and hence a new CPD programme sits at the centre of the SIP.

The application to join the Owlcotes MAT, has been withdrawn by the Trustees, and a suitable alternative MAT will be selected in due course.

## **Structure, Governance and Management**

### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity which incorporated on 17 February 2012. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Khalsa Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is also known as Khalsa Education Trust.

Earlier this calendar year, the size of board of trustees was reduced to seven members, and during this current academic year it will increase at least by another two trustees to have the optimum set of skills and diversity. Details of the trustees who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

### **Members' liability**

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

### **Trustees' indemnities**

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 the cost of this insurance is included in the total insurance cost but is not separately identifiable.

**Trustees' Report (continued)**

**Principal Activities**

The principal activities of the charitable company are to establish and maintain an academy in accordance with the requirements of the Master Funding agreement in place with the Education and Skills Funding Agency (ESFA).

**Method of recruitment and appointment or election of members and trustees**

The current members were the proposers of the free school, plus trustees' taken as representatives from the staff, parents of the children, and the wider community.

The trustees periodically review the skills required to enable the effective management of the academy trust, and where additional skills are needed approaches will be made to members of the community. During the last Spring and Summer Terms, the trustees and members have taken external bespoke advice and strategic training from the school's governance partner, Entrust. This bespoke training was delivered by an experienced senior representative from their Governors Support Services Team. Action Plans have been drawn up and being progressed by the Trustees.

The Trustee Board is guided by an experienced clerk provided by Entrust through a formal service level agreement.

**Policies and procedures adopted for the induction and training of members/trustees**

The procedures adopted for the induction and training of members/trustees will vary depending on their existing experience. The induction and training will always include a tour of the school and a chance to meet staff and pupils. All trustees are provided with copies of policies, procedures, minutes, accounts, plans and other documents that they will need to undertake their role. Induction tends to be undertaken informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by Entrust, National College and other suitable resources/bodies. The Trust looks to undertake an annual skills audit of trustees and should any gaps be identified training courses would be arranged for Trustees to address these issues.

**Organisational Structure**

The Trust Members Board will normally meet two or three times a year. The Trust Members Board establishes an overall framework for the governance of the Trust and has agreed a detailed scheme of delegation from the Trust Members Board down to the Board of Trustees (BoT) and Executive Headteacher (EH).

Organisationally the structure of the Trust for 2022–23 remains the same as the previous academic year, with the establishment of the school's Board of Trustees serving as the local governing body of the school, along with the establishment of two sub-committees, i.e. Resources sub-committee and Curriculum sub-committee, who undertake the detailed financial and educational review of the school. However, in 2023, the size of the Trust Board has been reviewed and reduced, but further trustees will be recruited, as required, to represent the parents and staff.

The principal risks to which the Academy Trust are exposed currently are the financial challenges all schools face, maintaining the pupil numbers and the transition around joining a MAT. Leadership capacity is no longer a risk, and the school is in a strong position to move forward into the next phase of its journey.

Historically, back in 2015, due to delays in agreeing a feasible capital budget within an increasingly confident construction market place resulted in considerable credibility and PR damage within the school's new potential catchment area. Eventually, sixteen months later, January 2017, the school moved to a new build at the permanent site at Alwoodley, Leeds. Such reputational damage can take a considerable time period to recover from, as much as 3-5 years. Hence, 5 years later, the school is now starting to show signs of recovery coming through, boosted by the good grades awarded by OFSTED, led by an experienced Executive Headteacher, supported by a reliable and resourceful collaborative partnership in place with NST.

**Arrangements for setting pay and remuneration of key management personnel**

Remuneration of key management personnel will follow DfE advice and direction of the School Teachers' Pay and Conditions Document (STPCD). Senior staff will have their performance reviewed by Trustees and where deemed necessary by specialist sector experts. Each year the Academy has a Pay Committee made up of the chair, vice chair of Trustees and a sector specialist expert, who is responsible for setting annual targets for the Headteacher in accordance with the agreed performance management and appraisal policy.

**Connected Organisations, Including Related Party Relationships**

Trustees of the academy trust are drawn from local public and private sectors. Trustees are aware that all transactions involving connected parties should be conducted at arm's length and at cost, in accordance with the academy trust's financial regulations and normal procurement procedures.

Committed parents from West Yorkshire, have demonstrated their passion for outstanding education for their children by sending them to Primley Wood Primary School at Leeds. Naturally these families needed transportation to have the children attend the school, hence they formed a not-for-profit establishment, to arrange and provide a transport service for the stated purpose. To this end, the Sikh Community led establishment, lends free of charge, one minibus, for the Bradford based pupils travelling to the academy. The maintenance, fuel and general upkeep of this vehicle, along with the driver and escort(s), as required, are funded by the academy trust.

**Trustees' Report (continued)**

**Objectives, Strategies and Activities**

**Objects and aims**

The primary purpose of the trust is the advancement of education in the local areas in which it establishes schools that maximises each pupil's potential. In setting the objectives the trustees have given careful consideration of guidance on public benefit.

The trust was formed in 2012 in response to local demand for quality education grounded in the core Sikh values of honesty, universal respect, equality and community service. The trust also identified that in an area that is rich with industrial and technological organisation there was demand for schools which focused its teaching on STEM skills (science, technology, engineering and mathematics). When Primley Wood joins an outstanding MAT the Sikh values which underpin the ethos of the school will be maintained and the school will retain its inclusive but unique nature.

**Public Benefit**

The trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the trust's aims and objectives and in planning its future activities.

**Strategic Report**

**Achievements and Performance**

Primley Wood Primary School, (PWPS) is a good education provider. The capacity of the leadership team has increased significantly and now there is a strong Headteacher and deputy HT recruited. During the current academic year, the role of the EH will over time develop from that of a school leader to a more strategic advisory / supportive role. The leadership team and Board of Trustees have a clear view of what the school does well and what it needs to do to improve further. By taking appropriate actions, the school strives to ensure that the high quality of education is sustained to enable the children to gain the maximum benefit from school. Over the course of the last year a full-time safeguarding lead had been recruited who provides support / guidance to children and families and works closely with outside agencies and the local Cluster.

There continues to be evidence that there has been significant growth in the levels of anxiety and poor mental health amongst children and parents and the safeguarding lead is now a crucial member of the Primley Wood team.

**Strengths include:**

The school has a positive learning culture and children are eager to learn.

The vision of the school is to aspire for excellence in all that we do through a faith-inspired, virtues led education.

Parents are engaged and positive about PWPS.

The Trustees and SLT have managed the expansion of the school well. As the school has grown, Trustees have refreshed and enhanced the leadership team.

The school received a "Good" judgement in the Section 5 Ofsted in December 2019 under the new framework. The culture of safeguarding is strong, and pupils said that "Teachers are right by our side". Many leaders including the SENDCo were new to post, and hence the trustees have arranged support through an Executive Headteacher (EH) model to support them in their role.

The EH continues to help steer the school through the next stage of its improvement. In lessons, pupils behave well. They focus on their learning and are keen to answer questions and to share their ideas as evidenced in observations.

However, following a number of external reviews focusing on the quality of education and previous Ofsted actions, the school now has a robust process to work through an up-to-date CPD programme to address areas requiring improvement. This is because in the past, leaders have not taken swift enough action to address the work required on the development of the curriculum and subject leaders have received very little support to be effective in their roles.

Now with a strong CPD programme in place, the staff team are encouraged and growing in expertise.

The opening of the 2-year-old provision and Nursery continue to be a success and there is a waiting list for children to join.

A new DfE approved phonics scheme is in place which is having a positive impact on children's early reading and writing skills.

Following a curriculum review, schemes of work have been strengthened further and reviewed to ensure impact on teaching and learning. Resources have been purchased to ensure the effective delivery of the curriculum and resources have been made available for pupils to use at home when necessary.

Relationships between home and school are ongoing, communication is effective, and parents are informed and engaged about Primley Wood as evidenced at the latest termly parent meeting.

**Trustees' Report (continued)**

Staff wellbeing is prioritised to ensure robust mental health and to enable them to focus fully on the children and fulfil their roles, with energy and expertise.

The school enjoys modern facilities, which are spacious and provide purpose-built rooms and there is a stable staff team in place providing consistency and increased expertise.

School lettings have impacted positively on the budget and the school has a very strong and supportive PTA which has raised a significant amount of money over the past year to be spent on resources for children.

The outdoor area for the early years' children (including Nursery) has been fully refurbished enhancing provision and learning opportunities for the children.

The library has been refurbished to increase reading for enjoyment and skills development.

**Key Performance Indicators**

The key indicator for a successful school is the attainment and achievement of its pupils. Their enjoyment and engagement in school life are also priorities as they lead to high levels of attendance. Success in these areas will support the trust to continue to secure sufficient pupils for the school.

During the time period of this report, the SLT capacity and capabilities have been refreshed and strengthened to improve the teaching and learning standards further, hence building upon the latest OFSTED Inspection, December 2019.

Children continue to enjoy school and to thrive at PWPS.

Key performance indicators have been shared with Trustees who are fully aware of the challenges which continue to present themselves to the school including the high number of children who join PWPS part way through their school career, (often into upper KS2) the influx of children new to the country and the increasing number of children with SEND. In addition, the pupil premium figures are increasing, and the percentage of children identified as disadvantaged has risen. Initially, PWPS had a large number of Sikh children from Leeds and Bradford and that has changed over time as the school now has a higher profile in the local area, which is largely disadvantaged and there are children from many different ethnic groups in school. This has had a significant impact on the make-up the school community and the context of PWPS.

As at the financial year end, 31 August 2023, PWPS faced a challenge regards maintaining and improving the quality of education. The leaders at school had commissioned a number of external teaching and learning audits, which consistently showed gaps in the quality of teaching expertise. The summary results depicting the current status have recently been shared with the parents, and we are committed to keeping them informed and engaged.

The most recent available external data for the school is from the summer of 2023. Standards at the end of EYFS and KS1 were significantly below national and the proportion of pupils meeting the phonics expected standard in Year 1 was also significantly below national figures. Outcomes at KS2 are more positive and in line or above national benchmarks, particularly for those pupils who have been with the school the longest.

Therefore, on behalf of the Trust Members and the Trustees', I would like to take this opportunity to say a sincere thank you to the senior leaders, and the PWPS staffing team as a whole for all their hard work during the past year. Also, we appreciate the support afforded to us by the passionate parents and the pupils during the same period.

The most recent OFSTED inspection of Dec 2019, awarded the school with a Good for all five judgement areas. Please visit the school website: <http://primleywood.co.uk/ofsted/> to view the full spread of reports.

The school is situated in an area of high deprivation. Pupils in receipt of the pupil premium grant is 27%, in line with the national figure of 27.3%.

For Pupil Premium / Disadvantaged Children, strategies are in place to support them in terms of catch up. Data has been recorded for this group and the impact of support and invention is regularly monitored. Clearly, if progress is not accelerated new strategies are implemented and regular pupil progress meetings take place between senior leaders and class teachers. A number of disadvantaged children and families are being supported by the pastoral team and the local school cluster. We are fully aware that social and emotional issues really impact on learning, and we have an increasing number of children across school with high levels of anxiety. As a result, some of the additional funding from the government has been used to provide pastoral support in addition to academic interventions.

The average attendance is 96%, with work being undertaken to maintain and improve this figure. Data is analysed weekly by the EH and administrative staff and parents are contacted regularly regarding attendance and potential support from school.



## **Khalsa Education Trust Year-ended 31 August 2023**

### **Trustees' Report (continued)**

The academic year of 2022-23, represents the school's sixth full year at the permanent site, now housed in a purpose-built, first-class education facility. The SLT have ensured that families are aware that PWPS is a small, nurturing environment, we know our children and families well and that our offering is very different to the huge 2 and 3 form entry schools around us.

As PWPS grows and develops the Trustees' have worked with the staff and SLT to carefully monitor and evaluate the progress made by its pupils.

#### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Specifically, a 3 Year Forecast Budget has been approved by the Board of Trustees, including a robust and detailed financial projection based on prudent pupil number estimates and resourcing/staffing requirements which is now being executed to ensure that the financial position of the Trust continues to improve and delivers financial resilience and sustainability for the long term. The Board of Trustees recognises a short-term risk in pupil recruitment matters, as these directly reflect the revenue available to the school. Therefore, members/ trustees and the school leadership are determined, wherever possible, to work together in tightly controlling expenditure, raising extra revenues through fund raising and of course, to attract the sufficient number of pupils through a new confident pupil recruitment process. 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.

The major focus of the Trustees, SLT and school staff is to provide high quality leadership and teaching and to promote healthy and happy pupils at the school.

Our short-term measures, in controlling expenditure, budgeting and reporting management accounts on a monthly basis maintains a strong financial direction. Due to the additional funds from the LA the budget is in a very good position. This is despite the financial situation in terms of increased pay for staff, rocketing fuel bills and the cost-of-living rises.

The 3-year budget model also shows a positive picture for PWPS and moving from a SAT to a MAT will improve the school's financial position further.

Given these undertakings, the trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies, especially within the minutes of the termly finance and audit subcommittees' meetings.

#### **Financial Review**

Most of the academy trust's income is generated from the Education Funding Agency (EFA) and the Local Authority (LA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2023 the academy made a surplus of £241,651 on restricted and unrestricted funds, excluding pension fund movement and fixed asset funds.

The Academy also received capital funding of £33,541 during the period. Details are shown in note 2 to the financial statements.

The Academy held unrestricted funds at 31 August 2023 of £159,210. Total restricted funds were £305,958, excluding the pension scheme deficit of £10,000. The fixed asset funds at 31 August 2023 were £3,077,839.

The governing body annually monitors the three-year budgets, and regularly reviews the in-year budget, to ensure the trust remains financially viable.

#### **Principal risks and uncertainties**

The funding agreement that the trust has with the Department for Education mitigates against a number of financial and management risks that a company of our size might be subject to.

The trust's objective is to deliver sustainable schools that deliver outstanding education.

To a large extent the funding formula is driven by pupil numbers. Whilst the trust has shown a clear need for its schools, against Local Authority concerns about a shortage of primary school places for a number of years, the trust's ability to continue to attract pupils to the new school is the principal risk the trust faces.

The principal risks relating to the school's estate are:

- the school premises, including the car park, become insecure and accessible by unauthorised members of the public;
- the playgrounds and outdoor equipment become unsafe for use.

**Trustees' Report (continued)**

The school facilities manager, who executes robust processes regularly, either personally, or with the help of contractors, i.e. daily, weekly, monthly, quarterly, half yearly or annually, as applicable, to maintain and where appropriate carryout proactive actions for health and safety purposes and the smooth running of school operations. All related monitoring records are documented via an online school safety compliance system

**Financial and risk management objectives and policies**

The Academy Trust's dealings with financial instruments are limited to bank accounts, creditors and debtors. This limitation serves to minimise credit and liquidity risks when this is combined with the nature the Academy Trust's debtors (being principally Government bodies and other schools) and therefore the risk to cash flow is also minimal.

**Reserves Policy**

The policy of the trustees is to establish and maintain a level of reserves that will be adequate to provide a stable basis for the continuing operation of the trust whilst ensuring that excessive funds are not accumulated.

**Investment Policy**

The trust seeks to spend the public monies with which we are entrusted for the direct education benefit of pupils as soon as is prudent. The trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

**Plans for Future Periods**

On completing the summer review of the 2022–23 school improvement plan, taking into account the school's internal monitoring of pupil progress, the Trustees and senior leadership team have determined new actions for the following academic year – 2023 - 24

In addition, some of the key priorities from the 2022-23, will be rolled forward into 2023/24, as they are still pertinent and require embedding.

Fresh progress is being made in terms of the SIP priorities and detailed feedback has been provided to Trustees. As a result of the pupil progress meetings across school, supporting the increasing numbers of children new to English has become a key area of focus and school improvement priority. Regular monitoring and evaluation of the impact of the SIP takes place across the year using a variety of strategies.

**School Improvement Plan (SIP)**

1. Quality of Education
  - a. to ensure teaching is consistently 'Good or better'
  - b. to implement a DfE Approved Phonics scheme
  - c. curriculum is cohesively and consistently mapped for all subjects from EYFS to Year 6
  - d. the wider curriculum is fully implemented across school
2. Behaviour and Attitudes
  - a. to implement the new behaviour policy
  - b. to ensure that persistent absences across the school and within sub-groups reduce during the year
  - c. to create roles and responsibilities for pupils
3. Personal Developments
  - a. re-introduce the school's vision
  - b. to develop an enrichment, offer to enhance cultural capital which reflects the school context
4. Leadership and Management
  - a. development of leaders at all levels
  - b. leaders use the Great Teacher Framework to support and develop excellent practitioners
  - c. further enhancement of our ECT programme in order to develop high quality early career practitioners

**Trustees' Report (continued)**

5. EYFS

- a. to create an environment that supports the intent of the curriculum.
- b. to increase early years attainment in Writing, Transcription, Spelling, Handwriting, Composition
- c. to ensure that the curriculum intent and implementation are embedded securely ensuring progression of skills and knowledge throughout the year
- d. to ensure that all staff within the Nursery setting are: -Confident with and understand their roles and responsibilities. -Following key routines and procedures.

Key challenges for Primley Wood Primary School include the high mobility amongst the pupil population, the number of children allocated to the school via fair access into the new classes and the significant increase of children with EAL and very limited English. The context of our has changed enormously over the last few years and the school has a large Indian population with 24% of pupils in this category and with 40 other ethnicities. Minority ethnic groups account for 83% of the cohort which is above national averages (35.7%). There are 34 different languages spoken at the school. 53% of pupils are classified as EAL, also above the national average of 21.2%. SEN percentage is 15% which is similar to the national average of 17.3%, however, a further 14% are being monitored by our SENDCo. Given pupil mobility is high. In the last academic year, an additional Year 3 and 4 class was created which consisted mainly of children who had recently moved to England.

**Overall areas to develop for September 2023 – July 2024**

**Leadership and Management:**

Overall Effectiveness:

In order to achieve a strong Ofsted judgement, there is a 3 year plan.

<b>Current Year 2023-2024 – Requires improvement</b>	Focus on quality first teaching, subject leadership, and pupil outcomes
<b>2024-25 – Good</b>	Further development of the curriculum, vision and pupil outcomes
<b>2025-2026 – Good to outstanding</b>	Fully embed an ambitious curriculum that fulfils the vision and leads to excellent outcomes.

Areas for Improvement and Impact, the following three areas are currently RAG rated as “requires improvement”, hence the required impact is clearly stated below for each.

Area 1:

Not all schemes of work have identified the key subject-specific concepts to be taught. Pupils are not able to deepen their understanding in these subjects as well as they could. Leaders must continue with their reviews of the curriculum, so that all schemes of work enable pupils to have a deeper understanding in a range of subjects. Transition arrangements are applied.

Impact:

In most subjects, curriculum packages have been purchased to save on teacher workload. However, staff are unsure about the intent and sequencing and there is a focus on content delivery rather than the knowledge and skills pupils need to learn. The schemes have also not been adapted for subject contextualisation, for example a history unit that covers the local area.

Area 2:

Staff are new to leadership roles. They are still developing their skills. Senior leaders and trustees must continue to offer the support and guidance needed for them to fully develop their roles and increase the school's capacity for further improvement.

Impact:

Each subject has a named person with some staff responsible for more than one subject. However, expertise in each subject area is unclear and many are new to their role and need urgent development. Subject leaders need dedicated time and regular support for deep dive methodology and to allow them to monitor progress and standards as part of their role.

Area 3:

Pupils are sometimes imprecise in their word choices. This can affect the quality of their written work. Leaders must continue with their efforts to extend pupils' vocabulary.

Impact:

A more consistent approach to reading is needed which focuses on children better understanding the meaning of texts and the purposes of different strategies. A clear reading plan and accompanying CPD for teachers is required with a focus on subject specific vocabulary in all subject areas and reading across the curriculum.

**Trustees' Report (continued)**

The Executive Headteacher and the SLT, continue to work together extremely well and the collaborative partnership between PWPS and NST is growing stronger. This will continue into the future as NST is committed to the above stated three year school improvement plan.

**Admissions Numbers:**

Pupil numbers are increasing at Primley Wood and have grown from 214 to 233 for the start of 2023-24. The Nursery and 2-Year-Old provision are full and many of the children have moved through to our Reception. As planned and expected, this is having a positive impact on numbers and relationships with parents are cemented prior to the arrival of their children into main school.

A strong relationship with the LA Admissions has resulted in a greater number of children joining PWPS and our being approached to open two new classes. PWPS is increasingly the school of choice for many families.

**Quality of teaching, learning and assessment:**

Learning environments are increasingly effective across school and school has received positive comments from external visitors. Throughout the year, triangulation of book scrutiny, lesson observations and pupil voice have provided us with the positive evidence that teaching and learning at the school is good. Any ineffective teaching is challenged, and support provided. The SLT has high expectations, and clear improvement targets are set for practitioners both on an informal and formal basis.

Formal assessment takes place termly using Target tracker. This is interrogated by the SLT and is used to inform pupil progress discussions with staff. Marking and feedback and informal assessment takes place every day and allows teachers to identify gaps in learning, misconceptions and areas for development on a daily basis.

**The Quality of Education**

**– Years 1 to 6 including the impact of curriculum design, delivery and outcomes:**

The new curriculum was implemented across effectively and Executive Headteacher is working with the SLT to develop the confidence and expertise of staff in a range of subjects. Clearly, the Inspection judged the quality of teaching and learning to be good. However, a continued focus on practice and provision across school is essential if this is to be consistent and to further improve over time. The quality of the environment requires regular review, and a plan is in place for various colleagues to visit NST schools over the academic year.

The School Improvement Plan has been updated recently and the rag rating reviewed.

**Pupil outcome data;**

Data across school is collected 3 times a year and the December drop has been shared with the Curriculum Teaching and Learning Committee. Children's progress is recorded from term to term and the expectation is that they will make 1 point progress every half term. Target Tracker and pupil performance reviews enable school to identify children who are making more than expected progress and those who aren't. Data regarding groups and individual children are analysed by the SLT and the data is interrogated to ensure that strategies are implemented to address the needs of the children making greater or less progress than expected. In the vast majority of cases these are pupils with SEND who are also assessed using "B Squared" which enables the small steps of progress to be recorded and for meaningful targets to be set. In addition to children with SEND there is a focus on more able children who should make more than expected progress and the interventions they required to ensure that happens. Pupil progress meetings have recently taken place with teachers during which every child was discussed. End of summer targets from FFT and internal data informed strategies for accelerating progress if required, to achieve predicted targets.

Looking ahead, all staff have been made aware of the Primary Statutory outcomes and the IDSR – Inspection Data Summary Report which was released in October 2023.

Staff are required to complete a class profile for their pupils in order for them to identify vulnerable groups and to ensure they are aware of any learning needs so they can make the appropriate adaptations to their planning.

**Any next steps:**

Assessments will take place during December 2023. Staff will be given time to mark their papers and upload their results and SLT will be quality assuring this data, alongside work in books. The school has now purchased the Insight tracker system and data will be uploaded here once staff have received the training.

CPD time will be allocated for staff to complete their pupil progress meeting templates ready for their meetings in January with SLT. This will be new for many staff so they will receive support from Phase Leaders to complete this work.

Staff who are leaving will also have handover meetings in the final week of term to ensure the standard of education is maintained and new staff are aware of the data profile of their class.

**Trustees' Report (continued)**

Observations, work scrutiny and pupil performance discussions suggest that many children are making good progress however this is difficult to judge for the children who are new to English and new to school. The EH and SLT are aware of this and continue to stress the importance of high expectations and ensuring that all barriers to learning are addressed. Funding is being used effectively to provide additional support for children, to address gaps in learning and support emotional wellbeing.

**The Quality of Education in the Early Years – This includes the impact of curriculum design and delivery including outcomes.**

The Reception baseline test has been completed at Primely Wood and the information forwarded to the relevant agencies. The outcomes have been interrogated and plans put in place to ensure that gaps are closed, and all children are supported to achieve their full potential.

A thorough analysis of baseline information has been undertaken by the KS1 and Foundation Stage Leader and has been fed back to Trustees.

**Behaviour and Attitudes and Personal Development**

A new behaviour policy was shared with staff in the Autumn Term. This is under review by the EH, and the school will move towards a restorative practice approach using virtues-led language.

The new policy will encourage all concerned to adopt a language of virtues-led approach with compassion and forgiveness at its core.

Behaviour of children in lessons is well managed and children are courteous and well mannered. Their transition around school is also excellent so adopting an approach with virtues at its core would further reinforce the school's vision and ethos.

The EH has spent time visiting and observing children in classes and in the vast majority of lessons behaviour is good or better. In the lessons where this is not consistently the case, work is in place to address this issue and teachers / TAs are being supported to develop their expertise in managing any low-level behaviour issues. In recent breaktimes there has been a focus on teaching children, outdoor games and the development of the outside area has provided them with more opportunities for engaging play. A new play area for the Reception and Nursery children has also been created to address all the Early Years areas of provision, particularly physical development.

Class Dojo continues to have a positive impact on communicating with parents. Bullying did not feature in the pupil voice work undertaken by the RP Pupil Team. However, there have been a small number of incidents in school which have been addressed immediately by the SLT. Any behaviour issues are recorded on CPOMS and parents contacted, if warranted.

All staff have been involved in safeguarding and child protection training and the safeguarding lead has attended all appropriate LA CPD.

There have been no incidences of hate crime during 2022 – 23.

RP Reps have been appointed from the student body and they are working with the adults to support their peers to make the correct choices regarding behaviour and their attitude towards learning.

**Safeguarding**

Our Child Protection policy and the Keeping Children Safe in Education have both been recently updated. Designated Safeguarding Leads (DSLs) continue to be Syma Khan, Sarah Rai, Jordan License, Lauren Daniels and Debbie Westwood (EH).

The Single Central Record is maintained by Alex Shaw and all appropriate checks are in place regarding new staff and visitors.

The EH is Safer Recruitment Trained, as is the Chair for the Board of Trustees.

Name of SENCo: Katie Howard

A further two new DSL's have received training, to add capacity going forward – Cath Cropper and Alex Shaw.

A full safeguarding audit is booked with Judicium Education this Autumn Term. Judicium have agreed to review the Primley Wood Safeguarding Policy as part of their package of support and new DSL's have been added to CPOMS to support with any concerns or referrals made. Early Help is offered in the first instance with an initial meeting with parents in order to offer support or signpost them to the appropriate services available.

**Khalsa Education Trust**  
**Year-ended 31 August 2023**

**Trustees' Report (continued)**

**Attendance**

Attendance is closely monitored with daily, weekly; half termly and termly reports. Any children whose attendance gives cause for concern are followed up by telephone calls, letters and meetings. If necessary, they are referred to the Attendance Officers at Leeds City Council. The EH receives a weekly report of all attendance figures. Attendance is compared at the end of each half term to look for patterns of absence or to determine the cause.

Currently SEN persistent absence is due to one child being off for a week and other children returning late from holidays and illness.

Unauthorised holidays continue to be problematic.

Parents are asked to speak to the EH before booking holidays and they are very rarely authorised, except in exceptional cases. However, most parents have already organised flights by the time they fill out the Leave of Absence Form. Fining does not seem to be a deterrent and we are constantly exploring ways to improve attendance. A weekly attendance assembly takes place where good attendance is celebrated and those children who have 100% for that week have their names put in a prize draw. Further rewards are given for termly and yearly 100% attendance.

None of our children are accessing off-site provision and there have been no exclusions this academic year.

**Performance management and Pay Progression**

The performance management process for 2022 - 23 was completed during the Autumn Term. During this time, new targets were set for this academic year. Deborah Kenny (Advisor) assisted with this process for the Head of School.

**Impact of Pupil Premium Funding**

The approved impact report for 2022 - 23 and plan for 2023 - 24 is published on the website using the new format provided to schools by the DfE.

**Impact of Sports Funding**

The approved impact report for 2022-23 and plan for 2023-24 are also published on the school website.

**Special Educational Needs**

**Pupil Population as of 21/11/23**

	School % (No.)	National %	LA%
PP	27%		
LAC	0.71%		
EAL	48%		
SEN			
Support	12.2%		
EHCP	1.07%		
Any other key group			

At present we have 3 children with an EHCP and 1 other child who is currently completing an EHCP request with support from SENDIASS. There are 33 children currently on the SEND register and a number of other children for whom there are concerns a further 3 who are not on the register but are being monitored.

For a more detailed breakdown of SEND pupils and progress please refer to the SEND Report to Trustees.

**Children who are Looked After (CLA)**

There is currently one child who is looked after in school.

**Children with disabilities**

At Primley Wood Primary School (PWPS) we have high aspirations and ambition for all our children and believe that every child should be able to fulfil their potential. We are committed to ensuring that all our children are given every chance to achieve and lead happy healthy lives.

Pupil Premium funding is targeted at maximising the achievement of disadvantaged children and in a way which supports their individual needs.

We, at PWPS, absolutely believe that all children can succeed, and we have a solution focused approach to overcoming barriers, We support children to develop a love for learning and ensure that we meet their individual needs and interests effectively.

### **Trustees' Report (continued)**

We ensure that all staff know who the disadvantaged children are and that the most appropriate strategies/support are in place for them. We help them to have full access to clubs and activities across the school and to take part in out of school activities.

Activities and clubs are monitored to ensure that they reflect the whole school population including disadvantaged children. Where this is not the case, we proactively recruit disadvantaged staff and fund them, if necessary. In addition, we constantly monitor the effectiveness of strategies on learning and review provision in the light of tracking data and other evidence. All staff are involved in the analysis of data so that they are fully aware of the requirements of pupil premium funding and the impact their work is having on the progress of disadvantaged children.

We have recently admitted a pupil with Type 1 Diabetes. Key staff have been trained to work with the pupil and the rest of school staff have received training on Type 1 diabetes in general. The pupil (in time) will require daily injections which key staff will be trained on and smooth transition for staff will be provided by both the NHS and LA accessibility team. Advice and guidance is sought from the appropriate agencies and parents and children are fully involved in the daily life of the school.

#### **Gifted and Talented / More Able pupils**

All teachers are aware of who their more able children are in reading, writing and mathematics and their progress has been discussed in the recent pupil progress meetings. Clearly, it is the priority of the school to ensure that they continue to make accelerated progress and to be provided with the appropriate level of challenge in their learning.

#### **Equality and Diversity**

Equality and diversity are promoted at Primley Wood and there is very little evidence of discrimination across school. However, staff are vigilant and refer any issues to the SLT to be dealt with appropriately and they are recorded on CPOMs. The school's Equality Policy Statement is displayed on the website.

#### **Facilities Management (Including Premises and Catering)**

All statutory building maintenance has taken place which is required up until the start of the next academic year in September 2023.

Leeds City Council continue to provide school meals, which have been reviewed to meet the needs of the school. The menu is vegetarian and has been tweaked to provide a greater variety of choice for the children.

#### **Health and Safety**

As noted above, good progress is being made on Facilities Management work and the preventative maintenance calendar is working well. We have no major injuries to report at this time.

Risk assessments continue to be kept up to date and the Evolve system is used to support decisions regarding trips and residential. Additionally, we successfully completed a health and safety audit through the LA and their expert in these matters.

We currently have 10 members of staff who are First Aid trained, and 12 staff with Team Teach Training.

#### **Staffing, Recruitment and Retention**

Retention and recruitment continue to be effective at Primley Wood and all roles are filled. There is no longer the need to rely on supply staff and temporary contacts as staffing is both reliable and stable. The school continues to train students and to appoint ECTs. 2 members of staff are Specialist Leaders of Education.

#### **Sickness and Absence**

The sickness policy has been implemented and the EH and HoS and the levels of staff sickness have decreased significantly.

Primley Wood has signed up with the National College which provides extensive courses and resources for our staff and governors (trustees) alike. CPD support continues via local agencies and support programmes, as well as access to NST resources. For 2023-24, an extensive CPD programme is in place for all staff and practitioners, including leaders.

#### **Community Engagement**

Regular contact continues to be made with the local community in terms of newsletters, visits and social media and Primley Wood is an increasingly popular choice for families in the area.

The Nursery and 2 year old provision has attracted more children than anticipated by the LA and the school as the birth rate has declined in the area. The popularity of the new provision is very positive for the school particularly as it will ensure the school is sustainable for the future.

**Khalsa Education Trust**  
**Year-ended 31 August 2023**

**Trustees' Report (continued)**

**National and Local Update**

Despite not expecting a visit from OFSTED currently, the leadership are fully aware of the agenda and are using the framework to ensure that school continues to evolve and improve prior to the next inspection.

The application for PWPS to join a MAT has been withdrawn by the Trustees and will be replaced by another stronger option in the coming months.

The curriculum designed and implemented at PW prior to the pandemic is currently under review to ensure it continues to meet the needs of the children, that it covers all the objectives of the national curriculum, that it is engaging and that it is taught effectively. Clearly "Intent, Implementation and Impact" are a key focus for school.

**Efficiency of the School**

Due to careful management of the budget, it is unlikely that there will be a deficit at the end of this academic year and there is likely to be a carry-forward. Despite the significant increase in pupil numbers, prudence around the effective use of the budget continues to be imperative particularly as pay rises and the cost of living increase is having such a detrimental effect on may school.

**Overall Effectiveness**

Primley Wood is categorised by Ofsted as a Good School and the leadership are committed to continued improvement. Expectations around children's potential have increased and less effective practitioners have been replaced by teachers who are at least good. The SLT and Trustees are extremely ambitious for our children and the quality of learning and provision we deliver.

**Funds Held as Custodian Trustee on Behalf of Others**

There are no funds held on behalf of others.

**Statement as to Disclosure of Information to Auditors**

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware; and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Approved by order of the board of trustees on **21 Dec 2023** ..... and signed on its behalf by:



Harnek Singh (Dec 21, 2023, 12:39pm)

.....

Mr H B Singh  
Trustee



## **Governance statement**

### **Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Executive Headteacher, 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 Khalsa Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of members meet at least twice during the year. Attendance during the year at meetings of the board of members was as follows:

<b>Member</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Palvinder Singh	2	2
Mr Hardev Singh Sidhu (Chair)	2	2
Dr Jatinder Singh Mehmi	1	2

The trust members have a cross section of skills including education, accounting, marketing, IT and general management. During 2022/23, there were no further changes in membership during the academic year.

### **Overview**

The governing body (Board of Trustees) conducts its business to take account of the three roles of the governing bodies as outlined in the Governors' Handbook:

1. Ensuring clarity of vision, ethos and strategic direction;
2. Holding the Headteacher to account for the educational performance of the school and its pupils;
3. Overseeing the financial performance of the school and making sure its money is well spent.

However, such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The governing body also ensures that the school complies fully with statutory safeguarding procedures. All staff have signed a record to confirm they have read Part 1 of the DfE statutory guidance "Keeping Children Safe in Education". The governing body has familiarised itself with the document and the safeguarding trustee has worked with the safeguarding lead in school to complete the annual safeguarding audit.

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, and the senior leadership team at the school.

Supporting these, there are two Committees in place to ensure the Governing Body carries out its core functions effectively and efficiently.

### **Finance, Resources, and Risk Committee (meets termly)**

This Committee has been delegated various roles and responsibilities relating to staffing, the budget and premises. It will cover the terms of reference of the:

- **Finance committee** - responsible for staffing, finance, property management, health and safety and risk management, including GDPR.
- **Audit and risk committee** – responsible for agreeing a programme of work (internal scrutiny) to provide assurance on financial controls and risks. This is a statutory committee unless its functions are covered by another committee (duties cannot be covered by the board and the Chair of the trust board should not Chair this committee).

### **Curriculum and Pastoral Committee (meets termly)**

This Committee has been delegated various roles and responsibilities relating to pupils, teaching and learning and standards. It will cover the terms of reference of:

- **Standards committee** - responsible for the quality of education including ensuring a broad and balanced curriculum is being taught, target setting, assessment and out-comes and the quality of teaching for each of its academies (unless considered by the trust board or delegated to the local governing body).
- **Local governing body\*\*** - responsible for behaviour, safeguarding, attendance, spiritual moral social and cultural development, children, parent and staff voice, equality and diversity, extra-curricular activities, cluster and other partnerships.

\*\* in the case of a single academy the local governing body will be the pupil support committee.

**Governance statement (continued)**

**The composition of the governing body**

During this academic year, we had several changes, some existing trustees leaving and new ones joining, see page 1 for the membership changes in detail. Meanwhile, we keep an open mind, because we are always on the lookout for further purposeful committed individuals.

The range of skills across the governing body includes strengths in experience of professional leadership, understanding of national education policy, and financial management.

The Governing Body annually conducts a review of its effectiveness and impact and agreed a formal Code of Conduct on an annual basis.

All Governing Body members have completed Declaration of Business Interest Forms.

All Governing Body members are required to complete a skills audit.

Governing Body members attend training regularly to ensure they have the necessary skills and information needed to carry out the importance work of school governance. A log of training is recorded in the minutes of termly Board meetings.

Governors also conduct scheduled monitoring visits; findings are recorded in the Governing Body minutes each term.

**Link Governors**

Certain Governors have been assigned a key area of responsibility in terms of holding the school to account for the quality of provision and compliance with statutory requirements. They visit the school and report back to the Governing Body.

**Meetings of the governing body and attendance**

The Governing Body meets once a term and meetings are formally convened and minutes are taken by the Clerk supplied by a third-party partner, independent entity from the school or trust, via a SLA Governance Services provision.

Last year, the full governing body held four trustee meetings during the full academic year; all meetings were clerked by a trained professional clerk. During the academic year 2022-23, the attendance of trustees was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs Harsimran Kaur Deagon	5	6
Mrs Deborah Kenny	3	3
Mr Stuart Jolley	2	2
Mr Jordan License	6	6
Mr Rashpal Singh Sagoo	6	6
Mr Hardev Singh Sidhu	6	6
Mr Harnek Bhullar Singh	6	6
Mr Sukhdev Singh	6	6
Mrs Julie Harkness	2	3
Mr Sandeep Lall	2	3
Mrs Angelique O'Garro	2	3
Mrs Sarah Rai	3	4
Mr Bhagat Singh Kular	2	3

**Curriculum and Pastoral Committee** of Khalsa Education Trust is a sub-committee of the governing body. Attendance at meetings in the year was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs Harsimran Kaur Deagon	1	1
Mr Jordan License	1	1
Mr Harnek Bhullar Singh	1	1
Mr Sukhdev Singh	1	1
Mrs Sarah Rai	1	1

The finance, resources and risk committee of Khalsa Education Trust is a sub-committee of the governing body. Attendance at meetings in the year was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Stuart Jolley	1	1
Mr Jordan License	3	3
Mr Harnek Bhullar Singh	3	3
Mr Hardev Singh Sidhu	3	3
Mr Rashpal Singh Sagoo	3	3
Mr Bhagat Singh Kular	1	1

## **Governance statement (continued)**

### **The remit of the governing body and its committees**

On completing the summer review of the 2022-23 school improvement plan (SIP), taking in to account 2022-23 statutory assessment results across key stage 1 and 2, as well as the school's internal monitoring of pupil progress, the governing body and senior leadership team have compiled a variety of continued and new actions for the following academic year 2023-24.

### **Conflicts of Interest**

As Trustees', each of us, are required to be mindful and diligent in executing our public duties, both within and related to Trust matters. With this in mind, Trustees are required annually, to declare in writing any interests that may result in a potential conflict during our work with the Trust. Additionally, as a matter of good governance procedure, at the start of each and every Trust meeting, trustees are prompted and asked to declare any new development that may present itself as conflict of interest.

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

The accounting officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources as well as estates safety and management. An example of value for money in relation to the trust's estate is as follows: "The trust has recently subscribed to iAM Compliant, a web-based compliance tool designed to help with the management of school health and safety, estates management, etc. This will help to ensure that the trust's estate is safe, well-maintained and complies with regulations."

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 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Staffing structures are scrutinised by the LGB and trust board to ensure staff are efficiently deployed and are appropriately qualified, experienced and enthusiastic; thus, supporting the ethos of the trust.

We focus on the differing needs of every individual pupil. Pupil Premium funding has also be allocated to optimum effect, as detailed in the individual plans within school.

Procurement rules are followed stringently as set out in the Trust's scheme of delegation. Competitive tendering of ICT and electrical services has provided savings to the school and improvements to the services offered.

These principals will continue to be applied as the school continues to grow.

### **The Purpose and 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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Khalsa Education Trust for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the board of trustees.

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

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;

**Governance statement (continued)**

- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The trust has considered the need for a specific internal audit function and has appointed the David Butterworth, an independent academies financial consultant from, Wheawill and Sudworth as Responsible Officer (RO). Additional tests to support the work of the finance sub-committee were undertaken by the RO, the resulting findings and recommendations have been adopted to support the going concern.

The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The Responsible Officer reports to the board of trustees, through the strategic Finance and Compliance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**Review of Effectiveness**

As accounting officer, the headteacher 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 reviewer;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

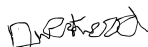
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 21 Dec 2023.....and signed on its behalf by:



Harnek Singh (Dec 21, 2023, 12:39pm)

Mr H B Singh  
Trustee



Debbie Westwood (Dec 21, 2023,  
1:10pm)

Mrs D Westwood  
Accounting Officer

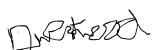
**Khalsa Education Trust  
Year-ended 31 August 2023**

**Statement of Regularity, Propriety and Compliance**

As accounting officer of Khalsa Education Trust I have considered my responsibility to notify the academy trust 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, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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



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Debbie Westwood (Dec 21, 2023,  
1:10pm)

Mrs D Westwood  
Accounting Officer

21 Dec 2023  
.....

**Khalsa Education Trust**  
**Year-ended 31 August 2023**

**Statement of Trustees' Responsibilities**

The trustees (who act as governors of Khalsa Education Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the ESFA Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting 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 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

21 Dec 2023

Approved by order of the members of the board of trustees on ..... and signed on its behalf by:



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Harnek Singh (Dec 21, 2023, 12:39pm)

Mr H B Singh  
Trustee

## **Independent Auditor's Report to the Members of Khalsa Education Trust**

### **Opinion**

We have audited the financial statements of Khalsa Education Trust for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" the charities SORP 2019 and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Independent Auditor's Report to the Members of Khalsa Education Trust (continued)**

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

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

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 governors' 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 trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the charity and the charity sector, we identified that the principal risks of non-compliance with law and regulations related to the Charities Act 2011 and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the audit procedures performed included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws, regulation and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- testing of non-purchase and sales ledger bank transactions;
- testing of journals;
- testing of purchase invoices.
- testing of grant funding
- testing of credit card transactions

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

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



**Khalsa Education Trust**  
**Year-ended 31 August 2023**

**Independent Auditor's Report to the Members of Khalsa Education Trust (continued)**

**Use of our report**

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

*ARJ Russell*

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Alistair Russell (Dec 21, 2023, 1:12pm)

Alistair Russell FCA (Senior Statutory Auditor)  
For and on behalf of  
Gibson Booth Chartered Accountants &  
Statutory Auditors  
New Court  
Abbey Road North  
Shepley  
Huddersfield  
HD8 8BJ

21 Dec 2023  
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**Khalsa Education Trust**  
**Year-ended 31 August 2023**

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

In accordance with the terms of our engagement letter dated 21 September 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Khalsa Education Trust during the period from 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 Khalsa Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Khalsa Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Khalsa Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Khalsa Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Khalsa Education Trust's funding agreement with the Secretary of State for Education dated 19 September 2011 and the Academies Financial 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 from 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 ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- an initial risk assessment, the results of which were used to tailor a specific work programme to ensure sufficient appropriate evidence could be obtained to support the conclusion;
- a review of the academy trust's accounting and internal control procedures; and
- consideration and review of the evidence supporting the accounting officer's statement on regularity, propriety and compliance.

**Khalsa Education Trust  
Year-ended 31 August 2023**

**Independent Reporting Accountant's Assurance Report on Regularity to Khalsa Education Trust and the  
Education and Skills Funding Agency (continued)**

**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 from 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.

*G Gibson Booth*

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Alistair Russell (Dec 21, 2023, 1:12pm)

Gibson Booth Chartered Accountants and  
Statutory Auditors  
New Court  
Abbey Road North  
Shepley  
Huddersfield  
HD8 8BJ

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21 Dec 2023

## Khalsa Education Trust

### Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2023	Total 2022
		£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	3,378	-	33,541	36,919	24,413
Charitable activities:						
Funding for the academy trust's educational operations	3	-	1,653,372	-	1,653,372	1,295,662
Other trading activities	4	185,309	-	-	185,309	76,792
Investments		42	-	-	42	11
<b>Total</b>		<u>188,729</u>	<u>1,653,372</u>	<u>33,541</u>	<u>1,875,642</u>	<u>1,396,878</u>
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust educational operations	6	102,321	1,546,129	94,357	1,742,807	1,465,998
<b>Total</b>		<u>102,321</u>	<u>1,546,129</u>	<u>94,357</u>	<u>1,742,807</u>	<u>1,465,998</u>
<b>Net income / (expenditure)</b>		86,408	107,243	(60,816)	132,835	(69,120)
<b>Transfers between funds</b>	13	-	-	-	-	-
<b>Other recognised gains:</b>						
Actuarial gain on defined benefit pension schemes	13,17	-	177,000	-	177,000	439,000
<b>Net movement in funds</b>		86,408	284,243	(60,816)	309,835	369,880
<b>Reconciliation of funds</b>						
Total funds brought forwards		72,802	11,715	3,138,655	3,223,172	2,853,292
<b>Total funds carried forward</b>		<u>159,210</u>	<u>295,958</u>	<u>3,077,839</u>	<u>3,533,007</u>	<u>3,223,172</u>

**Khalsa Education Trust****Balance Sheet as at 31 August 2023**

		2023	2022
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	10	3,061,625	3,121,707
<b>Current assets</b>			
Debtors	11	88,826	41,408
Cash at bank and in hand		502,312	272,784
		<u>591,138</u>	<u>314,192</u>
Creditors: Amounts falling due within one year	12	<u>(109,757)</u>	<u>(77,727)</u>
<b>Net current assets</b>		<u>481,382</u>	<u>236,465</u>
<b>Total assets less current liabilities</b>		3,543,007	3,358,172
<b>Net assets excluding pension liability</b>		<u>3,543,007</u>	<u>3,358,172</u>
Defined benefit pension scheme liability	17	<u>(10,000)</u>	<u>(135,000)</u>
<b>Total assets</b>		<u><u>3,533,007</u></u>	<u><u>3,223,172</u></u>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>			
Fixed asset fund	13	3,077,839	3,138,655
Restricted income fund	13	305,958	146,715
Pension reserve	13	<u>(10,000)</u>	<u>(135,000)</u>
<b>Total restricted funds</b>		<u>3,373,797</u>	<u>3,150,370</u>
<b>Unrestricted income funds</b>	13	<u>159,210</u>	<u>72,802</u>
<b>Total funds</b>		<u><u>3,533,007</u></u>	<u><u>3,223,172</u></u>

The financial statements on pages 26 to 43 were approved by the trustees, and authorised for issue on 21 Dec 2023 and are signed on their behalf by:



Harnek Singh (Dec 21, 2023, 12:39pm)

Mr H B Singh

Trustee

Company Registration Number: 07954683

**Khalsa Education Trust****Statement of Cash Flows for the year ended 31 August 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	15	230,220	187,018
<b>Cash flows from investing activities</b>			
Interest receivable		42	11
Purchase of tangible fixed assets		(34,275)	(15,627)
Capital grants from DfE/ESFA		33,541	21,557
		<u>(692)</u>	<u>5,941</u>
<b>Change in cash and cash equivalents in the reporting period</b>		229,528	192,959
<b>Cash and cash equivalents at 1 September 2022</b>		272,784	79,825
<b>Cash and cash equivalents at the 31 August 2023</b>		<u><u>502,312</u></u>	<u><u>272,784</u></u>

## **Khalsa Education Trust**

### **Notes to the Financial Statements for the period ended 31 August 2023**

#### **1 Statement of Accounting Policies**

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

##### **Basis of Preparation**

The financial statements 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 (FRS102)), the Academies Accounts Direction 2022 to 2023 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Khalsa Education 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 significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

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

###### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

###### **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**

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.

## Khalsa Education Trust

### Notes to the Financial Statements for the period ended 31 August 2023

#### 1 Statement of Accounting Policies (continued)

##### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

##### Expenditure on Raising Funds

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

##### Charitable Activities

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

##### Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold land	Not depreciated
Freehold buildings	2% straight line
Leasehold improvements	over term of lease
Furniture and equipment	25% reducing balance
Computer hardware	25% straight line

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

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

##### 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.

##### Leased Assets

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



## **Khalsa Education Trust**

### **Notes to the Financial Statements for the period ended 31 August 2023**

#### **1 Statement of Accounting Policies (continued)**

##### **Financial Instruments**

The academy only holds basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face values less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### **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.

##### **Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated 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 a 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. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

## **Khalsa Education Trust**

### **Notes to the Financial Statements for the period ended 31 August 2023**

#### **1 Statement of Accounting Policies (continued)**

##### **Fund Accounting**

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

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

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

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

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

##### *Critical accounting estimates and assumptions*

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 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.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the tangible assets, and accounting policies for the depreciation rates used for each class of assets.

##### *Critical areas of judgement*

No significant judgements have been made in the process of applying the entity's policies.

## Khalsa Education Trust

### Notes to the Financial Statements for the year ended 31 August 2023 (continued)

#### 2 Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Capital Grants	-	33,541	33,541
Donations	3,378	-	3,378
	<u>3,378</u>	<u>33,541</u>	<u>36,919</u>
	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Capital Grants	-	21,557	21,557
Donations	2,856	-	2,856
	<u>2,856</u>	<u>21,557</u>	<u>24,413</u>

#### 3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
<b>DfE / ESFA grants</b>			
General Annual Grant (GAG)	-	1,022,387	1,022,387
Pupil premium	-	94,253	94,253
Teachers' pay & pension grant	-	3,358	3,358
UIFSM	-	25,642	25,642
ESFA recovery premium	-	9,099	9,099
ESFA national tutoring	-	9,234	9,234
Schools supplementary grant	-	29,426	29,426
PE and sport premium	-	17,800	17,800
Maintained schools additional grant (MSAG)	-	14,888	14,888
Rates relief	-	2,207	2,207
	-	<u>1,228,294</u>	<u>1,228,294</u>
<b>Other Government grants</b>			
Local authority grants	-	425,078	425,078
	-	<u>425,078</u>	<u>425,078</u>
Other income from the academy trust's educational operations	-	-	-
	-	<u>1,653,372</u>	<u>1,653,372</u>
	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
<b>DfE / ESFA grants</b>			
General Annual Grant (GAG)	-	986,764	986,764
Pupil premium	-	74,468	74,468
Teacher's pay grant	-	2,399	2,399
UIFSM	-	22,508	22,508
ESFA recovery premium	-	7,286	7,286
ESFA national tutoring	-	6,278	6,278
FSM supplementary grants	-	12,261	12,261
PE and sport premium	-	17,410	17,410
Rates relief	-	1,632	1,632
	-	<u>1,131,006</u>	<u>1,131,006</u>
<b>Other Government grants</b>			
Local authority grants	-	131,891	131,891
	-	<u>131,891</u>	<u>131,891</u>
Other income from the academy trust's educational operations	-	32,765	32,765
	-	<u>1,295,662</u>	<u>1,295,662</u>

**Khalsa Education Trust**

**Notes to the Financial Statements for the year ended 31 August 2023 (continued)**

**4 Other trading activities**

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Catering	23,624	-	23,624
Insurance income	14,035	-	14,035
Other income	20,645	-	20,645
Self generated	20,376	-	20,376
Nursery income	82,674	-	82,674
Breakfast club	258	-	258
After school club	23,697	-	23,697
	<u>185,309</u>	<u>-</u>	<u>185,309</u>

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Catering	-	16,849	16,849
Other income	18,431	-	18,431
Self generated	14,352	-	14,352
Breakfast club	5,720	-	5,720
After school club	12,400	-	12,400
Extra curricular clubs	9,040	-	9,040
	<u>59,943</u>	<u>16,849</u>	<u>76,792</u>

**5 Expenditure**

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2023
	£	£	£	£
Academy's educational operations:				
Direct costs	1,057,891	94,357	60,264	1,212,512
Allocated support costs	186,954	135,694	207,647	530,295
	<u>1,244,845</u>	<u>230,051</u>	<u>267,911</u>	<u>1,742,807</u>

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2022
	£	£	£	£
Academy's educational operations:				
Direct costs	740,814	115,680	49,230	905,725
Allocated support costs	247,340	127,787	185,145	560,273
	<u>988,154</u>	<u>243,467</u>	<u>234,376</u>	<u>1,465,998</u>

**Khalsa Education Trust**

**Notes to the Financial Statements for the year ended 31 August 2023 (continued)**

**5 Expenditure (continued)**

Net income/(expenditure) for the period includes:

	2023	2022
	£	£
Depreciation	94,357	115,680
Fees payable to auditor for:		
- audit	6,000	5,500
- other services	750	750
	<u>750</u>	<u>750</u>

**6 Charitable Activities**

	Unrestricted Funds	Restricted Funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Direct costs – educational operations	-	1,212,511	1,212,511	905,725
Support costs – educational operations	102,321	427,974	530,295	560,273
	<u>102,321</u>	<u>1,640,485</u>	<u>1,742,806</u>	<u>1,465,998</u>

	Unrestricted Funds	Restricted Funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
<b>Analysis of support costs</b>				
Support staff costs	-	186,954	186,954	247,341
Premises costs	-	135,694	135,694	127,134
Other support costs	102,321	82,168	184,489	179,388
Governance costs	-	23,158	23,158	6,410
	<u>102,321</u>	<u>427,974</u>	<u>530,295</u>	<u>560,273</u>

**Khalsa Education Trust****Notes to the Financial Statements for the year ended 31 August 2023 (continued)****7 Staff****a. Staff costs**

Staff costs during the period were:

	Total	Total
	2023	2022
	£	£
Wages and salaries	934,708	634,037
Social security costs	68,154	44,675
Operating costs of defined benefit pension schemes	198,697	248,942
	<u>1,201,559</u>	<u>927,654</u>
Supply staff costs	43,286	60,500
	<u>1,244,845</u>	<u>988,154</u>

**b. Staff numbers**

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

	2023	2022
	No.	No.
Teachers	10	7
Administration and support	32	24
Management	2	2
	<u>44</u>	<u>33</u>

**c. Higher paid staff**

No employees employee benefits (excluding employer pension costs) exceeded £60,000

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £228,946 (2022: £193,394).

## Khalsa Education Trust

### Notes to the Financial Statements for the year ended 31 August 2023 (continued)

#### 8 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

J License (Head of School):

- . Remuneration £55,000 - £60,000 (2022: £50,000 - £55,000)
- . Employer's pension contributions paid £10,000 - £15,000 (2022: £10,000 - £15,000)

Deborah Kenny (Executive Principal)

The academy paid Leeds City Council £35,085 (2022: £60,500) for her services as her position as executive principal. Deborah Kenny is employed by Manor Wood Primary School.

No expenses were reimbursed to trustees during the year (2022: £nil)

Other related party transactions involving the trustees are set out in note 18.

#### 9 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost of this insurance cannot be separately identified but is included in the total insurance cost.

#### 10 Tangible Fixed Assets

	Freehold Land and Buildings £	Furniture and Equipment £	Computer Hardware £	Total £
<b>Cost</b>				
At 1 September 2022	3,431,866	220,135	339,002	3,991,003
Additions	22,250	-	12,025	34,275
At 31 August 2023	<u>3,454,116</u>	<u>220,135</u>	<u>351,027</u>	<u>4,025,278</u>
<b>Depreciation</b>				
At 1 September 2022	388,798	176,298	304,200	869,296
Charged in year	66,738	10,961	16,658	94,357
At 31 August 2023	<u>455,536</u>	<u>187,259</u>	<u>320,858</u>	<u>963,653</u>
<b>Net book values</b>				
At 31 August 2023	<u>2,998,580</u>	<u>32,876</u>	<u>30,169</u>	<u>3,061,625</u>
At 31 August 2022	<u>3,043,068</u>	<u>43,837</u>	<u>34,802</u>	<u>3,121,707</u>

#### 11 Debtors

	2023 £	2022 £
Trade debtors	496	2,061
VAT recoverable	6,912	5,598
Prepayments and accrued income	81,418	33,749
	<u>88,826</u>	<u>41,408</u>

#### 12 Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	52,312	52,832
Other creditors	-	5,289
Accruals and deferred income	57,445	19,606
	<u>109,757</u>	<u>77,727</u>

## Khalsa Education Trust

### Notes to the Financial Statements for the year ended 31 August 2023 (continued)

#### 12 Creditors: Amounts falling due within one year (continued)

Deferred income	2023	2022
	£	£
Deferred income at 1 September	13,356	12,838
Released from previous years	(13,356)	(12,838)
Resources deferred in the year	18,793	13,356
Deferred Income at 31 August	<u>18,793</u>	<u>13,356</u>

Deferred income at the year end included:

- . Universal Free School Meals funding received in advance £15,704 (2022: £13,356)
- . Rates relief funding received in advance £3,089 (2022: £nil)

#### 13 Funds

	Balance at 1 September 2022	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2023
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	74,506	1,022,387	(790,935)	-	305,958
Pupil Premium	-	94,253	(94,253)	-	-
Other DfE/ESFA grants	-	111,654	(111,654)	-	-
Other government grants	72,209	425,078	(497,287)	-	-
Pension reserve	(135,000)	-	(52,000)	177,000	(10,000)
	<u>11,715</u>	<u>1,653,372</u>	<u>(1,546,129)</u>	<u>177,000</u>	<u>295,958</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	3,043,655	33,541	(94,357)	-	2,982,839
Donated assets	95,000	-	-	-	95,000
	<u>3,138,655</u>	<u>33,541</u>	<u>(94,357)</u>	<u>-</u>	<u>3,077,839</u>
<b>Total restricted funds</b>	<u>3,150,370</u>	<u>1,686,913</u>	<u>(1,640,486)</u>	<u>177,000</u>	<u>3,373,797</u>
<b>Total unrestricted funds</b>	<u>72,802</u>	<u>188,729</u>	<u>(102,321)</u>	<u>-</u>	<u>159,210</u>
<b>Total funds</b>	<u>3,223,172</u>	<u>1,875,642</u>	<u>(1,742,807)</u>	<u>177,000</u>	<u>3,533,007</u>

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

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.

The restricted general funds relate to grants and other income receivable from the DfE, ESFA and other sources towards the operating activities of the academy trust.

The restricted fixed asset funds represent the net book value of donated fixed assets and assets purchased out of income from other sources which are held for the continuing use of the academy trust.

The pension reserve represents the net asset or liability of the academy trust to the LGPS defined benefit pension scheme, based on actuarial valuations each year.

The unrestricted funds represent funds generated or received by the academy trust without any conditions or restrictions.



**Khalsa Education Trust**

**Notes to the Financial Statements for the year ended 31 August 2023 (continued)**

**13 Funds (continued)**

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	986,764	(912,258)	-	74,506
Pupil Premium	-	74,468	(74,468)	-	-
Other DfE/ESFA grants	-	69,774	(69,774)	-	-
Other government grants	-	131,891	(59,682)	-	72,209
Other restricted income	-	32,765	(32,765)	-	-
Catering	-	16,849	(16,849)	-	-
Pension reserve	(424,000)	-	(150,000)	439,000	(135,000)
	<u>(424,000)</u>	<u>1,312,511</u>	<u>(1,315,796)</u>	<u>439,000</u>	<u>11,715</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	3,137,778	21,557	(115,680)	-	3,043,655
Donated assets	95,000	-	-	-	95,000
	<u>3,232,778</u>	<u>21,557</u>	<u>(115,680)</u>	<u>-</u>	<u>3,138,655</u>
<b>Total restricted funds</b>	<u>2,808,778</u>	<u>1,334,068</u>	<u>(1,431,476)</u>	<u>439,000</u>	<u>3,150,370</u>
<b>Total unrestricted funds</b>	<u>44,514</u>	<u>62,810</u>	<u>(34,522)</u>	<u>-</u>	<u>72,802</u>
<b>Total funds</b>	<u>2,853,292</u>	<u>1,396,878</u>	<u>(1,465,998)</u>	<u>439,000</u>	<u>3,223,172</u>

## Khalsa Education Trust

### Notes to the Financial Statements for the year ended 31 August 2023 (continued)

#### 14 Analysis of Net Assets between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	3,061,625	3,061,625
Current assets	159,210	393,464	38,464	591,138
Current liabilities	-	(87,507)	(22,250)	(109,757)
Pension scheme liability	-	(10,000)	-	(10,000)
Total net assets	<u>159,210</u>	<u>295,958</u>	<u>3,077,839</u>	<u>3,533,007</u>

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	3,121,707	3,121,707
Current assets	72,801	224,443	16,948	314,192
Current liabilities	-	(77,727)	-	(77,727)
Pension scheme liability	-	(135,000)	-	(135,000)
Total net assets	<u>37,135</u>	<u>(288,224)</u>	<u>3,345,133</u>	<u>3,094,044</u>

#### 15 Reconciliation of Net Income to Net Cash Flow from Operating Activities

	2023	2022
	£	£
Net income/(expenditure) for the reporting period	132,835	(69,120)
Adjusted for:		
Depreciation charges (note 10)	94,357	115,680
Capital grants from DfE and other capital income (note 2)	(33,541)	(21,557)
Interest receivable	(42)	(11)
Defined benefit pension scheme cost less contributions payable (note 17)	48,000	143,000
Defined benefit pension scheme finance cost (note 17)	4,000	7,000
(Increase) / Decrease in debtors	(47,418)	7,943
Decrease in creditors	32,030	4,083
Net cash used in Operating Activities	<u>230,220</u>	<u>187,018</u>

#### 16 Members' Liability

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

#### 17 Pension and Similar Obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

## Khalsa Education Trust

### Notes to the Financial Statements for the period ended 31 August 2023 (continued)

#### 17 Pension and Similar Obligations (continued)

##### Teachers' Pension Scheme

###### Introduction

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

###### 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% employer administration charge) ;
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,200 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. 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 pension costs paid to TPS in the period amounted to £54,059 (2022: £61,046).

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 a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 £104,000 (2022: £63,000), of which employer's contributions totalled £74,000 (2022: £45,000) and employees' contributions totalled £30,000 (2022: £18,000) The agreed contribution rates for future years are 11.1% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

##### Principal Actuarial Assumptions

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.85%	3.95%
Rate of increase for pensions in payment/inflation	2.60%	2.70%
Discount rate for scheme liabilities	4.90%	4.00%
Inflation assumption (CPI)	2.60%	2.70%

**Khalsa Education Trust**

**Notes to the Financial Statements for the year ended 31 August 2023 (continued)**

**17 Pension and Similar Obligations (continued)**

**Local Government Pension Scheme (continued)**

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21	21.8
Females	24.1	24.6
<i>Retiring in 20 years</i>		
Males	22.2	22.5
Females	25.1	25.7

**Sensitivity analysis on defined benefit obligations**

	At 31 August 2023	At 31 August 2022
	£	£
Discount rate +0.1%	549,000	475,000
Discount rate -0.1%	580,000	506,000
Mortality assumption - 1 year increase	550,000	476,000
Mortality assumption - 1 year decrease	578,000	504,000
CPI rate +0.1%	565,000	491,000
CPI rate -0.1%	563,000	489,000

The academy's share of the assets in the scheme were:

	Fair value at 31 August 2023	Fair value at 31 August 2022
	£	£
Equity instruments	444,000	284,000
Bonds	66,000	38,000
Property	18,000	14,000
Other	26,000	19,000
Total market value of assets	554,000	355,000
Present value of scheme liabilities		
- funded	(564,000)	(490,000)
Deficit in scheme	<u>(10,000)</u>	<u>(135,000)</u>

The actual return on scheme assets was £9,800 (2022: £3,000).

**Amounts recognised in the statement of financial activities**

	2023	2022
	£	£
Current and past service costs	122,000	188,000
Net interest cost	4,000	7,000
Total operating charge	<u>126,000</u>	<u>195,000</u>

**Khalsa Education Trust****Notes to the Financial Statements for the year ended 31 August 2023 (continued)****17 Pension and Similar Obligations (continued)**

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

	2023	2022
	£	£
At 1 September	490,000	715,000
Current service cost	122,000	188,000
Interest cost	20,000	12,000
Employee contributions	30,000	18,000
Actuarial gain	(95,000)	(441,000)
Benefits paid	(3,000)	(2,000)
At 31 August	<u>564,000</u>	<u>490,000</u>

Changes in the fair value of academy's share of scheme assets:

	2023	2022
	£	£
At 1 September	355,000	291,000
Interest income	16,000	5,000
Actuarial gain/(loss)	82,000	(2,000)
Employer contributions	74,000	45,000
Employee contributions	30,000	18,000
Benefits paid	(3,000)	(2,000)
At 31 August	<u>554,000</u>	<u>355,000</u>

**18 Related Party Transactions**

No transactions with related parties took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 8.