
THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2024

Reference and Administrative Details

Members: I Anderson
T Singh Rai
M Singh Pangali
B Mukherjee
A Goyal
M Singh – (appointed on 8 July 2024)

Trustees:

S Rayatt - Chair of Trustees and Chair of Faith & Ethos
M Singh – Joint Vice Chair
S Jackson - Joint Vice Chair and Chair of Standards Committee
H Singh Brar - Chair of Personnel Committee
K Dua – Chair of Finance Risk and Audit Committee
A Singh Maan
G Singh (appointed 12/7/2023)
S Caton (appointed 13/09/23)

Governance Professional: Mrs R Farmah

Senior Management Team: Mrs A K Notta (CEO), Mr S Basra (CFOO), Mr M Mirza (Director of Quality & Standards), Mr S Shoker (Head of School at TKAW), Mr C Steed (Principal at Atam Academy)

Company Name: The Khalsa Academies Trust Limited

Registered Office: Millfields Road, Ettinghshall, Wolverhampton, WV4 6JP

Company Registration Number: 07549443

Independent Auditor: BKL Audit LLP, 35 Ballards Lane, London, N3 1XW

Bankers: Lloyds Commercial Bank, PO BOX 1000, BX1 1LT

Solicitors: Browne Jacobson, Mowbray House, Castle Meadow Road, Nottingham NG21BJ

THE KHALSA ACADEMIES TRUST LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1st September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The academy trust operates two Academies; The Khalsa Academy Wolverhampton (TKAW), in Wolverhampton and ATAM Academy in Redbridge. The Academies serves pupils between 5 – 19 years of age and have a combined pupil capacity of 2,100 and had a roll of 1872 in the school census on October 2023.

Structure, Governance and Management

Constitution

The Khalsa Academies Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of The Khalsa Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Khalsa Academies Trust.

It should be noted that the name of the charitable company was officially changed to "One Multi Academies Trust Limited" post year end on 12th November 2024.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on the preceding pages of this document.

Members' Liability

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

Trustees' Indemnities

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

Method of Recruitment and Appointment or Election of Trustees

The company's articles of association require at least three Trustees. Members can appoint up to six Trustees. The Board regularly checks how effective it is, focusing on the skills and performance of its Trustees. The Trustees can also appoint Co-opted Trustees, who are selected by Trustees not already appointed in this way. Trustees cannot co-opt an employee if this means more than one-third of the Board are employees, including the Executive Principal and Management Team Directors.

The term of office for any trustee is 4 years. The CEO's and Principals' term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new Trustees are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as Trustees and directors of the academy.

Organisational Structure

The Trust has established a management structure to enable its efficient running. The structure consists of two levels: the Trustees and the executives who are the senior leadership team.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

The Khalsa Academies Trust has considered its role thoughtfully and decided that the role of the Trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The Khalsa Academies Trust has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Local Advisory Board and Principals are directly responsible for the day-to-day running of the academy and are assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The chief executive officer assumes the accounting officer role.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The Board has delegated the arrangement for setting the pay and remuneration for executive directors and senior management to the remuneration committee whose members comprise three Trustees and the Chair of the Trust. This committee reviews the performance of the executive directors and ensures that succession planning is in line with the plans of the Trust.

This committee also sets the band of annual pay increases for all staff as guidelines for each of the academies pay committees. The Trust scheme of delegation sets out the responsibility for pay increases for all staff to the Principal and the pay committee.

Trade Union Facility Time

The Khalsa Academies Trust does not have a formal recognition agreement with any of the recognised Education trade unions & Professional Associations and does not offer Trade Union Facilities Time.

Related Parties and other Connected Charities and Organisations

There are no related parties or connected entities.

Objectives and Activities

Objects and Aims

The principal object and activity of the Trust is the operation of TKAW and ATAM to provide a broad and balanced education for pupils of all abilities in the Wolverhampton and Redbridge areas. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the Trust will be at the heart of their communities promoting community cohesion and sharing facilities; the basis for admitting students to the Trust, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEND; the basis for charging pupils.

Objectives, Strategies and Activities

Public Benefit

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

As a Multi Academy Trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities.
- Providing community events such as religious music festivals
- Providing community service events such as preparing food for the homeless
- Engaging with other local schools to provide sporting opportunities for pupils to interact and engage

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic Report - Achievements and Performance

This section of the report contains summer results 2023/2024 from two academies that are part of **The Khalsa Academies Trust**.

- TKAT MAT performance measures:** DfE has started to publish the MAT performance data since 2022. TKAT MAT performance data will not be published as MAT statistics only reported on academies which had been in a MAT for at least 3 years, and on MATs which included at least 3 academies, known as inclusion criteria. MAT comparison data has been included in this report.



Multi-academy trust performance data (KS4)

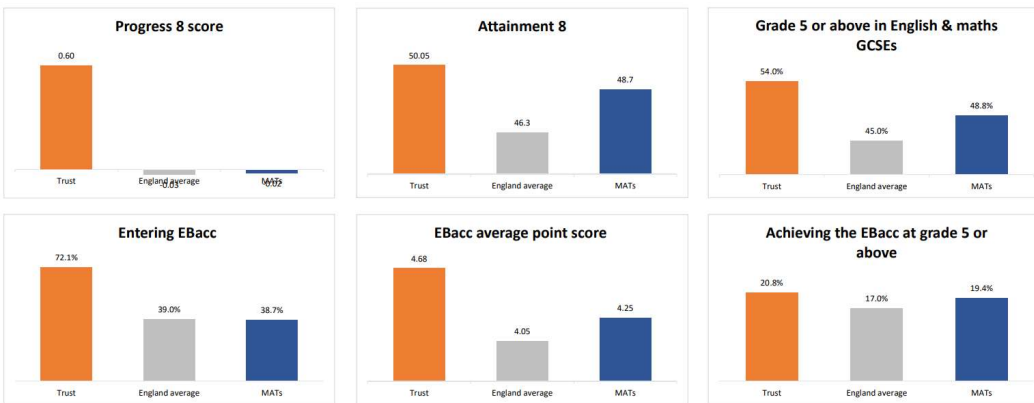
Trust data: Year 11 (2023/2024) Exam Results
England data: 2022/2023
MAT statistics: 2021/2022

Overview

Trust Schools: **2**

Trust Pupils: **265**

Average KS2 Prior Attainment: **104**



Measures	TKAT 2024	England 2023	National MAT data
Progress 8	+0.60 ↑	-0.03	-0.02
Attainment 8	50.05 ↑	46.3	48.7
Grade 5+ in English & maths	54% ↑	45%	48.8%
Entering EBacc	72.1% ↑	39%	38.7%
EBacc APS	4.68 ↑	4.05	4.25
EBacc at grade 5+	20.8% ↑	17%	19.4%

- ATAM Academy:** ATAM Academy is an all-through academy. In the academic year 2023/2024, ATAM Academy had Key Stage 4 results but no Key Stage 5 cohort. However, as a growing academy, they started their first Key Stage 5 cohort in Year 12 in September 2024. Therefore, only Key Stage 1, Key Stage 2, and Key Stage 4 results have been included in this report.

3. ATAM Key stage 1 Attainment

	ATAM 2024	ATAM 2023	National 2023
Subject	Expected	Expected	Expected
Reading	63%	73%	68%
Maths	59%	85%	70%
Writing	41%	73%	60%
RWM	39%	67%	56%

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FOR THE YEAR ENDED 31 AUGUST 2024

ATAM Key stage 2 – Year 4 Multiplication Check

Multiplication Check	ATAM 2024	ATAM 2023	National 2023
Average score (mean)/25	24	22.7	20.2
Full marks	70.8%	48%	70.8%

ATAM Key stage 2 Attainment

	ATAM 2024	ATAM 2023	National 2023
Subject	Expected	Expected	Expected
Reading	95%	66%	73%
GPS	92%	83%	72%
Maths	93%	81%	73%
Writing	88%	88%	71%
RWM	80%	61%	59%

ATAM Key stage 4 Attainment/Progress

Key stage 4 Headline Measures	ATAM 2024	Local Authority Average 2023	England 2023
Progress 8	+0.56	-	-0.03
Attainment 8	50.48	54.6	46.3
Grade 5+ in English & maths	56.6%	64%	45%
Entering EBacc	73.5%	51%	39%
EBacc APS	4.73	4.92	4.05
EBacc at grade 5+	21.2%	26%	17%

ATAM Academy

KS4 outcomes 2023/2024 (Exam results – pending remarks)

Year 11 Cohort - 113 Students

Progress 8 (P8)

- This score shows how much progress pupils made across 8 qualifications. between the end of key stage 2 and the end of key stage 4
- The P8 score for **ATAM Academy is +0.56** (above Local & National)
- The average score for all state-funded schools in England is -0.03

Attainment 8 (A8)

- Schools get a score based on how well pupils have performed in up to 8 qualifications
- The A8 score for **ATAM Academy is +0.48** (above National)
- The local authority (Redbridge) average score for state-funded schools (2023) is 54.6
- The average score for all state-funded schools in England (2023) is 46.3

Grade 5 or above in English & Maths GCSEs

- This measure informs the percentage of pupils who achieved grade 5 or above in English and maths GCSEs
- For this measure **ATAM Academy has achieved 56.6%** (above National)
- The local authority (Redbridge) average score for state-funded schools (2023) is 64%
- The average score for all state-funded schools in England (2023) is 45%

Entering EBacc

- A pupil is considered to have entered for the English Baccalaureate if they entered for qualifications in English, maths, sciences, a language and either history or geography.
- For this measure **ATAM Academy has achieved 73.5%** (above Local & National)
- The local authority (Redbridge) average score for state-funded schools (2023) is 51%
- The average score for all state-funded schools in England (2023) is 39%

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

EBacc average point score

- The EBacc average points score calculates a pupil's average point scores across the 5 pillars of the English Baccalaureate.
- For this measure **ATAM Academy has achieved 4.73** (National)
- The local authority (Wolverhampton) average score for state-funded schools (2023) is 4.92
- The average score for all state-funded schools in England (2023) is 4.05

4. **The Khalsa Academy Wolverhampton:** TKAW is a secondary academy with 16 to 18 provision, therefore key stage 4 and key stage 5 summer results have been included for TKAW.

TKAW Key stage 4 Attainment/Progress

Subject	TKAW 2024	TKAW 2023	Local Authority Average 2023	National Average 2023
Progress 8	+0.64	+0.68	+0.02	-0.03
Attainment 8	49.61	51.1	45.7	46.3
Grade 5+ in English & maths	52%	58%	39%	45%
Entering EBacc	71.1%	75%	26%	39%
EBacc APS	4.63	4.73	3.72	4.05
EBacc at grade 5+	20.4%	15%	9%	17%

The Khalsa Academy Wolverhampton

KS4 outcomes 2023/2024 (Exam results – pending remarks)

Year 11 Cohort - 152 Students

Progress 8 (P8)

- This score shows how much progress pupils made across 8 qualifications. between the end of key stage 2 and the end of key stage 4
- The P8 score for **The Khalsa Academy Wolverhampton is +0.64** (above Local & National)
- The local authority (Wolverhampton) average score for state-funded schools is 0.02
- The average score for all state-funded schools in England is -0.03

Attainment 8 (A8)

- Schools get a score based on how well pupils have performed in up to 8 qualifications
- The A8 score for **The Khalsa Academy Wolverhampton is 49.61** (above Local & National)
- The local authority (Wolverhampton) average score for state-funded schools (2023) is 45.7
- The average score for all state-funded schools in England (2023) is 46.3

Grade 5 or above in English & Maths GCSEs

- This measure informs the percentage of pupils who achieved grade 5 or above in English and maths GCSEs
- For this measure **The Khalsa Academy Wolverhampton has achieved 52%** (above Local & National)
- The local authority (Wolverhampton) average score for state-funded schools (2023) is 39%
- The average score for all state-funded schools in England (2023) is 45%

Entering EBacc

- A pupil is considered to have entered for the English Baccalaureate if they entered for qualifications in English, maths, sciences, a language and either history or geography.
- For this measure **The Khalsa Academy Wolverhampton has achieved 71.1%** (above Local & National)
- The local authority (Wolverhampton) average score for state-funded schools (2023) is 26%
- The average score for all state-funded schools in England (2023) is 39%

EBacc average point score

- The EBacc average points score calculates a pupil's average point scores across the 5 pillars of the English Baccalaureate.
- For this measure **The Khalsa Academy Wolverhampton has achieved 4.63** (above Local & National)
- The local authority (Wolverhampton) average score for state-funded schools (2023) is 3.72
- The average score for all state-funded schools in England (2023) is 4.05

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

KS5 outcomes 2023/2024 (Exam results – pending remarks)

Year 13 Cohort - 62 Students

Average result (L3 Overall)

These figures tell you the average grade and average points that students achieved per L3 Overall entry.

	Average results	Points
Exams 2024	C=	28.39
Exams 2023	C+	32.33

Average result (A levels)

These figures tell you the average grade and average points that students achieved per A level entry.

	Average results	Points
Exams 2024	C-	27.41
Exams 2023	C+	32.67
National 2023	B-	35.48

Average result (Applied general qualifications)

These figures tell you the average grade and average points that students achieved in their applied general qualifications.

	Average results	Points
Exams 2024	Distinction -	31.41
Exams 2023	Distinction -	30.88
National 2023	Merit +	29.56

- The Average point score and Average grade have **improved** from 2022 for Academic and applied general qualifications.
- The **average grade** for Applied general qualifications is **above** compare to 2023 national data.

Ofsted grading:

In June 2024, ATAM Academy was inspected by Ofsted and achieved a "**Good**" rating in all areas under the Ofsted Education Improvement Framework. This rating reflects the significant progress made by the academy across key aspects of education, including the quality of teaching, personal development, and leadership. The outcome highlights the academies commitment to continuous improvement and delivering high standards of education for all students.

The Khalsa Academy Wolverhampton (TKAW) was graded Good in its inspection in 2018 and its monitoring visit in 2019. The Academy was inspected in June 2023 and continues to hold it's "**Good**" Ofsted grade.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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. 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.

Strategic Report - Financial Review

Finance Review

During the period, ESFA/LA/Government grants received totalled to £12,564,621 together with an additional £6,000 LGPS Pension income valuation adjustment included within restricted funds during this period. Restricted fund expenditure totalled to £12,969,260. The Trust has reported an in-year deficit on Restricted General Funds of £404,639, of which a further amount of £217,855 has been utilized to fund additional capital expenditure during the year giving an overall net in year deficit of £622,494.

The main source of unrestricted income is donations, totalling £45,310, other trading activities totalling £586,910 and £26,219 bank interest income. Unrestricted fund expenditure totalled to £425,618 giving an in-year surplus of £232,821 on Unrestricted General Funds.

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12-month period ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The Trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2019), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Despite the in year deficit reported above due to a combination of a significant deficit on Restricted General Funds at ATAM Academy combined with the higher level of capital expenditure that prior years across both academies, the Trust still maintains a strong cumulative surplus position of £726,455 on General Reserves (Restricted & Unrestricted) and the Cash at bank held at year end was £1,118,750 which ensures that we have sufficient resources and funds to continue to support our Academies and grow the Trust in the next few years.

It should be noted that in year operating surpluses were generated on both Restricted & Unrestricted General Funds at The Khalsa Academy Wolverhampton and Central Services and on Unrestricted General Funds at Atam Academy. Furthermore, ATAM Academy is still in the growth phase of its development and will not have all Year Groups in place for another two years up to Year 13 and is therefore still increasing pupil numbers, recruiting new teachers & other staff until it has filled all remaining year groups over next few years. The primary reason for the deficit on Restricted General Funds in the year at ATAM Academy was due to the exceptionally high level of staff sickness absences during the year which meant that agency supply costs to cover these absences for both Teaching and Support positions were extremely high and well above budgeted levels. Actions have been taken to ensure these aspects are better managed for the next academic year to ensure a balanced budget is achieved going forward.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

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

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

Total reserves at the end of the period amounted to £726,455. This balance includes unrestricted funds (free reserves) of £329,375, which are considered appropriate for the Academy Trust, and restricted funds of £397,080 and a pension deficit of £Nil.

The Trust Board have determined within the Reserves policy that the appropriate level of general reserves (restricted & unrestricted funds) should be set at a minimum of 8% of total annual income which will also cover a sum equivalent to one month's payroll across the Trust. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a pension fund neutral position totalling to £Nil (2023: £24,000 deficit). This neutral position is included within restricted funds. This does not lead to an immediate liability for this breakeven amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

Investment Policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2024, no investments were held.

Principal Risks and Uncertainties

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

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

The Trustees also are fully aware of their responsibilities to ensure that the trust's estate is safe, well maintained and compliant with the relevant regulations.

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Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a breakeven position at 31 August 2024. 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 2023, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Fundraising

The Trust engages in limited fundraising activities throughout the academic year, both for specific projects and to augment the annual education budget

Due consideration is given at all times to ensuring that no fundraising practices are unreasonably intrusive or apply undue pressure especially with regard to vulnerable persons.

Plans for Future Periods

The Trustees undertake annual Trust Planning days to discuss and consider future strategy and plans for growth of the Trust which are then formalised and incorporated within the annual 3 Year Plan update cycle and submitted accordingly to the ESFA as part of the annual BFR process.

The Trustees would like to grow the Trust in a prudent and sustainable way based on the capacity of the central services function and have tasked the CEO to execute the growth strategy that has been incorporated into the 3 year plan to continue to grow the Trust in terms of additional schools/academies joining the Trust.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and / or its Trustees did not act as custodian trustee during the current or previous period.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 10 December 2024 and signed on the board's behalf by:



Shaminder Rayatt
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Trustees have delegated the day-to-day responsibility to the Chief Executive Officer, 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 The Khalsa Academies 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 Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
Amritpal Singh Mann	1	4
Gagandeep Singh	1	4
Harbhajan Singh Brar	4	4
Kanwarpreet Dua	4	4
Manmeet Singh	3	4
Sarah Caton	4	4
Shaminder Kaur Rayatt	4	4
Susan Brooke Jackson	2	4

The Board of Trustees' work covers strategic oversight, compliance, and risk management, with a focus on educational standards, financial accountability, and safeguarding. Key areas include enhancing academic quality, supporting pupil welfare, and fostering community engagement. Trustees regularly review a range of reports, including academic performance, financial accounts, safeguarding and welfare data, risk management updates, HR reports, and stakeholder feedback, enabling informed, data-driven decisions aligned with the MAT's strategic goals. A recent assessment highlights the board's balanced skills in education, finance, and governance, with continuous training to strengthen decision-making and ensure compliance.

The Trust has established processes to effectively manage conflicts of interest. Each year, Trustees complete a form to declare their personal and business interests. Meeting agendas for the Trust Board meeting and its Committee meetings include a standing item, "Declaration of Interest," allowing Trustees to disclose any relevant interests. The Trust has adopted a conflict of interest policy, outlining expectations, which Trustees review annually. The Governance Professional compiles these declarations to maintain an updated register of pecuniary interests, which is regularly reviewed and published on the Trust's website for transparency.

The Trust follows the AAD recommendations of having a minimum of 3 trust board meetings a year to demonstrate effective oversight and management of funds, risk and audit.

A Governance Review was conducted by the National Governance Association (NGA) in January 2023, the Trust promptly implemented an action plan to address concerns of the NTI. All actions were completed, and as a result, the NTI was lifted on 25 May 2023. An independent Governance Professional is now employed to help ensure ongoing compliance and to support Trustees in fulfilling their duties.

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT(CONTINUED)

The Finance, Risk and Audit Committee

The Finance, Risk and Audit Committee, is a sub-committee of the main Board of Trustees. The Finance, Risk, and Audit Committee is responsible for overseeing a Trust's financial management, risk mitigation, and internal controls. This committee ensures financial transparency, compliance with regulations, and effective risk management while advising the Trust Board on strategic financial decisions.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Amritpal S Mann	4	4
Kanwarpreet Singh Dua	4	4
Manmeet Singh	4	4

The Standards Committee

The Standards Committee is a sub-committee of the main Board of Trustees and advises the Board on matters relating to the Trust's curriculum, teaching and learning, quality and standards of education and Safeguarding.

This includes monitoring and advising the Trust Board on the following:

- Safeguarding procedures, training, trends, arrangements and audit findings
- Data on attainment and progress for all of the Trust's academies
- School improvement work and leadership and management
- Overall performance of each of the academies against the Ofsted framework
- Standards of Teaching and Learning including CPD
- The Trust quality improvement and intervention strategies and plans
- Special Educational Needs, Disability (SEND) and Inclusion
- Disadvantaged pupils
- Partnership working, Admissions arrangements, and community engagement.
- Relevant statutory required policies: Relationships & Sex Education; Personal, Social Health and Economics Education (PSHE); Child Protection and Safeguarding; Admissions; Parental Complaints; SEND; Charging and Remissions.
- Significant focus for the sub-committee during the year included monitoring the progress of ATAM Academy out of Requires Improvement to a GOOD Ofsted outcome.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Shaminder Rayatt	3	3
Susan Jackson	3	3
Sarah Caton	2	3
Gagandeep Singh	0	3

The Personnel Committee

The Personnel Committee is a sub-committee of the Board of Trustees, and its purpose is to ensure that the Trust:

- Has updated HR policies and procedures that are compliant with statutory and legal requirements and best practices.
 - To review the staffing structure and pay scales of the schools and make recommendations to the Trust Board on any proposed changes, as appropriate.
 - Undertake an annual regular review of staff wellbeing and the effectiveness of staff recruitment and retention strategies and policies.
 - To ensure that succession planning for staffing and governance within the Trust is being considered by management.
 - To review and recommend to the Trust Board staff cost budgets and proposed pay increases
- Annual review of the performance management process of the Trust and review of pay progression decisions.

THE KHALSA ACADEMIES TRUST LIMITED
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GOVERNANCE STATEMENT(CONTINUED)

Have oversight of any casework with associated financial risks, legal employment-related claims and

- adverse publicity for the Trust.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Harbhajan Brar (Committee Chair)	3	3
Manmeet Singh	3	3
Shaminder Rayatt	3	3

The Faith and Ethos Committee

The Faith and Ethos Committee is a sub-committee of the Board of Trustees, and its purpose is to ensure that the distinctiveness and effectiveness of the Sikh faith within the Trust academies is maintained and enhanced.

The Faith and Ethos Committee ensure that;

- It monitors the provision of Sikh Assemblies; Sikh Studies; Sikh Art, encapsulating Music and Sikh values.
- It monitors the impact of Spiritual, Moral, Social and Cultural development within the academies.
- Addresses any developmental issues from the S48 RE Inspection within faith academies.
- A forum for robust professional discussion amongst a group of stakeholders is provided.
- Aspects of being a Trust with Sikh academies include the relationship between Sikh values and British values and community cohesion.
- Policies are regularly reviewed, including Religious Education and collective worship and Spiritual, Moral, Social and Cultural development and advice on the implementation of these policies (e.g. RE syllabus, planning of Academy worship etc).
- Links between the Sikh national institutions and the academies are developed and fostered.
- The Gurdwaras within the academies are maintained with sufficient resources and adhere to the expected Akaal Takht Rehat Maryada.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Manmeet Singh	3	3
Shaminder Rayatt (Committee Chair)	3	3
Amritpal Singh Mann	3	3

The Remuneration Committee

The Remuneration Committee is a sub-committee of the Board of Trustees, and its purpose is to assist the Board with reviewing and setting recommendations for executive pay as well as overall pay considerations for all employees.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Manmeet Singh	1	1
Shaminder Rayatt (Committee Chair)	1	1
Harbhajan Brar	1	1

Review of Value for Money

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

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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

- Retendering large contracts which included cleaning
- Ensuring competitive quotes for large purchases were sought
- Using DfE Procurement frameworks such as utility services and general school supplies
- Part of the Pelican Purchasing Consortium for in house catering purchasing requirements
- Consolidating suppliers across its schools and using online purchasing portals wherever possible to obtain better pricing

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 The Khalsa Academies Trust for the period 1st September 2023 to 31 August 2024 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 1st September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

The board of Trustees has decided:

- to buy-in an internal audit service from INTISAA.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Testing of the key financial controls covering payroll, income, expenditures, fixed assets, bank reconciliations, balance sheet control accounts, debtors, creditors and VAT returns.
- Specialist absence management audit covering review of trust wide processes and reporting.

THE KHALSA ACADEMIES TRUST LIMITED
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GOVERNANCE STATEMENT (CONTINUED)

On an annual basis, the auditor reports to the board of Trustees, through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

Review of Effectiveness

As accounting officer, the chief executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor / reviewer
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- 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, audit and risk committee.

Conclusion

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

Approved by order of the members of the board of Trustees on 10 December 2024 and signed on the its behalf by:



Shaminder Kaur Rayatt
Chair of Trustees



Anita Kaur Notta
Accounting Officer

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Khalsa Academies Trust Limited, I have considered my responsibility to notify the Academy 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 funding agreement between the Academy 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 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Board of Trustees are able to identify material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2023.

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

During our internal scrutiny report review, we identified that a quote totalling £51,844, which related to a complex IT infrastructure upgrade, to comply with DFE standards, was obtained without conducting a full tender exercise, as required by the Trust's procurement policy for purchases exceeding £50,000. Several other quotations were obtained well below the £50,000 threshold. In this instance, the additional cost, which lead to the quote marginally exceeding the threshold, arose from an additional 3 days of unforeseen IT support services required for the complex configuration on site, post implementation. Without these additional days, the total cost would not have exceeded the threshold, however, in this specific instance, no formal exception process was documented or approved. The Trust has already reviewed and updated its procurement wording within the Finance Policy, to include provisions for handling exceptional and unforeseen procurement needs, ensuring future compliance with procurement regulations.



Anita Kaur Notta
Accounting Officer
Date: 10 December 2024

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by order of the members of the Board of Trustees on 10 December 2024 and signed on its behalf by:



Shaminder Rayatt
Chair of Trustees

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
KHALSA ACADEMIES TRUST LIMITED**

Opinion

We have audited the financial statements of The Khalsa Academies Trust Limited (the 'academy') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 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's affairs as at 31 August 2024 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 2023 to 2024 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy'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.

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
KHALSA ACADEMIES TRUST LIMITED (CONTINUED)**

Other information

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

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the Academy 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'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 or to cease operations, or have no realistic alternative but to do so.

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
KHALSA ACADEMIES TRUST LIMITED (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities. We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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

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

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

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

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
KHALSA ACADEMIES TRUST LIMITED (CONTINUED)**

Use of our report

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

Carly Pinkus

Carly Pinkus (Senior statutory auditor)

for and on behalf of

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

13/12/2024

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE KHALSA ACADEMIES TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Khalsa Academies Trust Limited during the year 1 September 2023 to 31 August 2024 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 The Khalsa Academies Trust Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Khalsa Academies Trust Limited and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Khalsa Academies Trust Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Khalsa Academies Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Khalsa Academies Trust Limited's funding agreement with the Secretary of State for Education dated 25 March 2015 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents;
- review of Trustees/Governors meeting minutes;
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties;
- consideration of the Academies Trust Handbook regularity requirements and related documents; and
- review of internal controls.

THE KHALSA ACADEMIES TRUST LIMITED
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE KHALSA
ACADEMIES TRUST LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that, in all material respects, the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

During our internal scrutiny report review, we identified that a quote totalling £51,844, which related to a complex IT infrastructure upgrade, to comply with DFE standards, was obtained without conducting a full tender exercise, as required by the Trust's procurement policy for purchases exceeding £50,000. Several other quotations were obtained well below the £50,000 threshold. In this instance, the additional cost, which lead to the quote marginally exceeding the threshold, arose from an additional 3 days of unforeseen IT support services required for the complex configuration on site, post implementation. Without these additional days, the total cost would not have exceeded the threshold, however, in this specific instance, no formal exception process was documented or approved. The Trust has already reviewed and updated its procurement wording within the Finance Policy, to include provisions for handling exceptional and unforeseen procurement needs, ensuring future compliance with procurement regulations.

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 13/12/2024

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	3	45,310	-	34,784	80,094	145,731
Other trading activities	5	586,910	-	-	586,910	527,128
Investments	6	26,219	6,000	-	32,219	10,196
Charitable activities	4	-	12,564,621	-	12,564,621	10,716,561
Total income		658,439	12,570,621	34,784	13,263,844	11,399,616
Expenditure on:						
Raising funds		103,660	-	-	103,660	85,427
Charitable activities	8	321,958	12,969,260	1,149,026	14,440,244	12,028,592
Total expenditure		425,618	12,969,260	1,149,026	14,543,904	12,114,019
Net income/(expenditure)		232,821	(398,639)	(1,114,242)	(1,280,060)	(714,403)
Transfers between funds	18	-	(217,855)	217,855	-	-
Net movement in funds before other recognised gains/(losses)		232,821	(616,494)	(896,387)	(1,280,060)	(714,403)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	20	-	16,000	-	16,000	21,000
Net movement in funds		232,821	(600,494)	(896,387)	(1,264,060)	(693,403)
Reconciliation of funds:						
Total funds brought forward		96,554	997,574	50,724,486	51,818,614	52,512,017
Net movement in funds		232,821	(600,494)	(896,387)	(1,264,060)	(693,403)
Total funds carried forward		329,375	397,080	49,828,099	50,554,554	51,818,614

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

The notes on pages 27 to 52 form part of these financial statements.

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07549443

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	49,828,099	50,724,486
Current assets			
Debtors	15	278,850	218,916
Investments	16	250,000	-
Cash at bank and in hand		1,118,750	1,761,516
		<u>1,647,600</u>	<u>1,980,432</u>
Creditors: amounts falling due within one year	17	(921,145)	(862,304)
Net current assets		726,455	1,118,128
Total assets less current liabilities		50,554,554	51,842,614
Net assets excluding pension asset / liability		50,554,554	51,842,614
Defined benefit pension scheme liability	20	-	(24,000)
Total net assets		50,554,554	51,818,614
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	49,828,099	50,724,486
Restricted income funds	18	397,080	1,021,574
Restricted funds excluding pension liability	18	50,225,179	51,746,060
Pension reserve	18	-	(24,000)
Total restricted funds	18	50,225,179	51,722,060
Unrestricted income funds	18	329,375	96,554
Total funds		50,554,554	51,818,614

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue on 10 December 2024 and are signed on their behalf, by:



Shaminder Rayatt
Chair of Trustees

The notes on pages 27 to 52 form part of these financial statements.

THE KHALSA ACADEMIES TRUST LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities		(201,130)	536,714
Cash flows from investing activities			
		(441,636)	(43,725)
Change in cash and cash equivalents in the year			
		(642,766)	492,989
Cash and cash equivalents at the beginning of the year		1,761,516	1,268,527
Cash and cash equivalents at the end of the year		1,118,750	1,761,516

The notes on pages 27 to 52 form part of these financial statements

THE KHALSA ACADEMIES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

• **Grants**

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

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

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

• **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.

THE KHALSA ACADEMIES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Long-term leasehold land	- 125 years
Long-term leasehold buildings	- 50 years
Fixtures, fittings and equipment	- 10 years
Computer equipment	- 5 years
Motor vehicles	- 4 years

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

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.10 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.11 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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.

The Scottish Widows group personal pension scheme contributions are recognised in the period to which they relate.

1.12 Fund accounting

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Donations	45,310	-	45,310
Capital Grants	-	34,784	34,784
	45,310	34,784	80,094
	45,310	34,784	80,094
	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	42,406	-	42,406
Capital Grants	-	103,325	103,325
	42,406	103,325	145,731
	42,406	103,325	145,731

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

4. Funding for the Academy's charitable activities

	Restricted funds 2024 £	Total funds 2024 £
DfE/ESFA grants		
General Annual Grant (GAG)	10,051,871	10,051,871
Other DfE/ESFA grants		
16-19 funding	757,379	757,379
Pupil premium	364,094	364,094
Teachers pay grant	168,689	168,689
Teachers pension grant	125,561	125,561
UIFSM	73,797	73,797
Others	585,181	585,181
	12,126,572	12,126,572
Other Government grants		
Local authority grants	438,049	438,049
	12,564,621	12,564,621
	Restricted funds 2023 £	Total funds 2023 £
DfE/ESFA grants		
General Annual Grant (GAG)	8,711,076	8,711,076
Other DfE/ESFA grants		
16-19 funding	648,236	648,236
Pupil premium	333,226	333,226
Teachers pay grant	1,663	1,663
Teachers pension grant	28,094	28,094
UIFSM	55,635	55,635
Others	683,370	683,370
	10,461,300	10,461,300
Other Government grants		
Local Authority grants	255,261	255,261
	10,716,561	10,716,561

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

5. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Lettings Income	29,486	29,486
Trip Income	68,735	68,735
Other Income	115,235	115,235
Catering Income	373,454	373,454
	586,910	586,910

	Unrestricted funds 2023 £	Total funds 2023 £
Lettings Income	62,561	62,561
Trip Income	93,763	93,763
Other Income	106,540	106,540
Catering Income	264,264	264,264
	527,128	527,128

6. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Investment income	26,219	-	26,219
Pension income	-	6,000	6,000
	26,219	6,000	32,219

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	10,196	10,196
	10,196	10,196

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	103,660	103,660
Charitable activities:				
Direct costs	8,545,264	1,000,649	1,259,900	10,805,813
Allocated support costs	2,024,785	937,831	671,815	3,634,431
	<u>10,570,049</u>	<u>1,938,480</u>	<u>2,035,375</u>	<u>14,543,904</u>
	<u><u>10,570,049</u></u>	<u><u>1,938,480</u></u>	<u><u>2,035,375</u></u>	<u><u>14,543,904</u></u>
	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	85,427	85,427
Charitable activities:				
Direct costs	6,788,932	998,544	1,054,342	8,841,818
Allocated support costs	1,686,037	682,074	818,663	3,186,774
	<u>8,474,969</u>	<u>1,680,618</u>	<u>1,958,432</u>	<u>12,114,019</u>
	<u><u>8,474,969</u></u>	<u><u>1,680,618</u></u>	<u><u>1,958,432</u></u>	<u><u>12,114,019</u></u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational Activities	<u>10,805,813</u>	<u>3,634,431</u>	<u>14,440,244</u>
	<u><u>10,805,813</u></u>	<u><u>3,634,431</u></u>	<u><u>14,440,244</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	8,841,818	3,186,774	12,028,592

Analysis of direct costs

	Charitable activities 2024 £	Total funds 2024 £
Staff costs	7,761,992	7,761,992
Depreciation	1,149,026	1,149,026
Educational supplies	270,647	270,647
Examination fees	248,533	248,533
Staff development	43,170	43,170
Educational consultancy	198,360	198,360
Other direct costs	73,425	73,425
Recruitment and support	131,608	131,608
Technology costs	145,780	145,780
Teaching supply costs	783,272	783,272
	<u>10,805,813</u>	<u>10,805,813</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Charitable activities 2023 £	Total funds 2023 £
Staff costs	6,167,784	6,167,784
Depreciation	1,217,524	1,217,524
Educational supplies	229,758	229,758
Examination fees	55,007	55,007
Staff development	38,167	38,167
Educational consultancy	193,601	193,601
Other direct costs	116,341	116,341
Recruitment and support	74,196	74,196
Technology costs	128,292	128,292
Teaching supply costs	621,148	621,148
	8,841,818	8,841,818

Analysis of support costs

	Charitable activities 2024 £	Total funds 2024 £
Staff costs	1,999,701	1,999,701
Maintenance of premises and equipment	258,438	258,438
Cleaning	220,802	220,802
Rent and rates	123,766	123,766
Insurance	48,798	48,798
Catering	268,680	268,680
Other support costs	238,903	238,903
Energy	286,027	286,027
Governance costs	17,890	17,890
Technology costs	122,565	122,565
Non cash pension costs	(2,000)	(2,000)
Professional services	23,777	23,777
Support staff supply costs	27,084	27,084
	3,634,431	3,634,431

THE KHALSA ACADEMIES TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Charitable activities 2023 £	Total funds 2023 £
Pension finance costs	1,000	1,000
Staff costs	1,662,145	1,662,145
Maintenance of premises and equipment	248,962	248,962
Cleaning	225,801	225,801
Rates	105,335	105,335
Insurance	38,409	38,409
Catering	201,970	201,970
Other support costs	233,725	233,725
Energy	280,663	280,663
Governance costs	21,350	21,350
Technology costs	106,369	106,369
Non cash pension costs	19,000	19,000
Professional services	37,153	37,153
Support staff supply costs	4,892	4,892
	<u>3,186,774</u>	<u>3,186,774</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Operating lease rentals	25,289	10,089
Depreciation of tangible fixed assets	1,149,026	1,217,524
Fees paid to auditors for:		
- audit	12,000	9,350
- other services	6,000	6,205
	<u>1,183,315</u>	<u>1,243,168</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

10. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	7,566,571	6,179,585
Social security costs	748,246	619,659
Pension costs	1,403,456	1,030,685
	9,718,273	7,829,929
Agency staff costs	810,356	626,040
Non cash pension costs	(2,000)	19,000
Staff restructuring costs	43,420	-
	10,570,049	8,474,969

Staff restructuring costs comprise:

	2024	2023
	£	£
Severance payments	43,420	-
	43,420	-

b. Severance payments

The Academy paid 2 severance payments in the year (2023 - nil), disclosed in the following bands:

	2024	2023
	No.	No.
£0 - £25,000	1	-
£25,001 - £50,000	1	-

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £43,420 (2023: £nil). Individually, the payments were: £25,384 and £18,036.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

10. Staff (continued)

d. Staff numbers

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

	2024	2023
	No.	No.
Teachers	94	89
Administration and support	101	83
Management	5	4
	<u>200</u>	<u>176</u>

e. Higher paid staff

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	11	4
In the band £70,001 - £80,000	5	4
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	3	-
In the band £120,001 - £130,000	1	1
In the band £130,001 - £140,000	1	-
	<u>1</u>	<u>-</u>

f. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £720,077 (2023 - £485,571).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

11. Central services

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

- Finance
- Accounting
- Reporting and Compliance
- IT and HR management
- Educational support
- Site/facilities support
- Marketing & website development/maintenance

The Academy charges for these services on the following basis:

A fixed percentage amount of total income agreed as part of the Budget approval process and was based on the anticipated level of time & resources required during the year with a year end true up based on actual total income recognised at each school.

The actual amounts charged during the year were as follows:

	2024	2023
	£	£
Atam Academy	389,088	405,465
The Khalsa Academy Wolverhampton	359,177	379,625
Total	748,265	785,090

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, expenses totalling £844 were reimbursed or paid directly to 3 Trustees (2023 - £244 to 1 Trustee) broken down as follows:

	2024	2023
	£	£
Travel and subsistence	844	244

13. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2023	54,959,695	610,627	1,715,774	57,286,096
Additions	30,300	152,436	69,903	252,639
At 31 August 2024	<u>54,989,995</u>	<u>763,063</u>	<u>1,785,677</u>	<u>57,538,735</u>
Depreciation				
At 1 September 2023	4,796,695	363,796	1,401,119	6,561,610
Charge for the year	956,400	44,249	148,377	1,149,026
At 31 August 2024	<u>5,753,095</u>	<u>408,045</u>	<u>1,549,496</u>	<u>7,710,636</u>
Net book value				
At 31 August 2024	<u>49,236,900</u>	<u>355,018</u>	<u>236,181</u>	<u>49,828,099</u>
At 31 August 2023	<u>50,163,000</u>	<u>246,831</u>	<u>314,655</u>	<u>50,724,486</u>

15. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	250	2,220
Other debtors	96,466	62,555
Prepayments and accrued income	182,134	154,141
	<u>278,850</u>	<u>218,916</u>

16. Current asset investments

	2024 £	2023 £
Current asset investments	<u>250,000</u>	<u>-</u>

17. Creditors: Amounts falling due within one year

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

	2024	2023
	£	£
Trade creditors	489,204	294,915
Other taxation and social security	180,168	167,335
Other creditors	171,576	255,153
Accruals and deferred income	80,197	144,901
	<u>921,145</u>	<u>862,304</u>
	<u>921,145</u>	<u>862,304</u>
	2024	2023
	£	£
Deferred income at 1 September 2023	45,650	82,224
Resources deferred during the year	39,942	45,650
Amounts released from previous periods	(45,650)	(82,224)
	<u>39,942</u>	<u>45,650</u>
	<u>39,942</u>	<u>45,650</u>

At the balance sheet date the academy trust was holding funds received in advance for the 2024/25 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

18. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds - all funds	96,554	658,439	(425,618)	-	-	329,375
Restricted general funds						
General Annual Grant (GAG)	1,021,574	10,051,871	(10,458,510)	(217,855)	-	397,080
16-19 core funding	-	757,379	(757,379)	-	-	-
Pupil premium	-	364,094	(364,094)	-	-	-
Teachers pay grant	-	168,689	(168,689)	-	-	-
Teachers pension grant	-	125,561	(125,561)	-	-	-
UIFSM	-	73,797	(73,797)	-	-	-
Local authority grants	-	438,049	(438,049)	-	-	-
Other DfE/ESFA funding	-	585,181	(585,181)	-	-	-
Pension reserve	(24,000)	6,000	2,000	-	16,000	-
	997,574	12,570,621	(12,969,260)	(217,855)	16,000	397,080
Restricted fixed asset funds						
DfE/ESFA capital grants	50,724,486	34,784	(1,149,026)	217,855	-	49,828,099
Total Restricted funds	51,722,060	12,605,405	(14,118,286)	-	16,000	50,225,179
Total funds	51,818,614	13,263,844	(14,543,904)	-	16,000	50,554,554

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy. The restricted funds can only be used in terms of limitations imposed under the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by other trading activities and reduced by expenditure incurred in the operation of these trading activities.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

18. Statement of funds (continued)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	(42,145)	579,730	(441,031)	-	-	96,554
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds						
General Annual Grant (GAG)	794,398	8,711,076	(8,429,979)	(53,921)	-	1,021,574
16-19 core funding	-	648,236	(648,236)	-	-	-
Pupil premium	-	333,226	(333,226)	-	-	-
Teachers pay grant	-	1,663	(1,663)	-	-	-
Teachers pension grant	-	28,094	(28,094)	-	-	-
UIFSM	-	55,635	(55,635)	-	-	-
Local authority grants	-	255,621	(255,621)	-	-	-
Other DfE/ESFA funding	-	683,370	(683,370)	-	-	-
Pension reserve	(25,000)	-	(20,000)	-	21,000	(24,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	769,398	10,716,921	(10,455,824)	(53,921)	21,000	997,574
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds						
DfE/ESFA capital grants	51,784,764	103,325	(1,217,524)	53,921	-	50,724,486
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted funds	52,554,162	10,820,246	(11,673,348)	-	21,000	51,722,060
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	52,512,017	11,399,976	(12,114,379)	-	21,000	51,818,614
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE KHALSA ACADEMIES TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024	2023
	£	£
The Khalsa Academy Wolverhampton	1,200,397	1,267,949
Atam Academy	(319,063)	47,240
Central services	(154,879)	(197,061)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	726,455	1,118,128
Restricted fixed asset fund	49,828,099	50,724,486
Pension reserve	-	(24,000)
	<hr/>	<hr/>
Total	50,554,554	51,818,614
	<hr/> <hr/>	<hr/> <hr/>

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit
	£
Atam Academy	(319,063)
Central services	(154,879)

The Trust is taking the following action to return Atam Academy to surplus:

Atam Academy went into a deficit position in FY 23-24 mainly as a result of the very high level of agency supply costs which were well above budgeted and historical levels due to exceptionally high levels of staff sickness absences and the requirement to deploy additional Learning Support Assistants to support our EHCP pupils. Steps have been taken as part of the FY 24-25 budget plan to recruit additional teachers & restructure the teaching support structure to create additional capacity within the Teaching & Support pool to more efficiently manage staff absences which will result in a significant reduction in external agency costs and improve the financial position of the Academy. These changes together with the continued growth of the pupil numbers within the 6th Form which opened in September 2024 and the continued growth in per pupil funding levels will result in the deficit falling year on year going forward and to return to surplus within the 3-5 year timeframe at the latest.

The Trust is taking the following action to return Central services to surplus:

Central services deficit has continued to reduce in FY 23-24 and as per the three year plan, the trust is on track to ensure that the central services function achieves a break even position within next 2-3 years.

THE KHALSA ACADEMIES TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2024 £
The Khalsa Academy Wolverhampton	3,642,340	818,146	406,139	1,086,447	5,953,072
Atam Academy	4,795,572	806,435	390,294	1,489,389	7,481,690
Central services	107,352	402,204	66,887	131,938	708,381
Consolidated adjustment	-	-	-	(748,265)	(748,265)
Academy	8,545,264	2,026,785	863,320	1,959,509	13,394,878

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
The Khalsa Academy Wolverhampton	3,207,364	711,934	305,508	1,064,562	5,289,368
Atam Academy	3,520,194	655,443	269,568	1,392,034	5,837,239
Central services	66,266	313,768	31,582	143,362	554,978
Consolidation adjustment	-	-	-	(785,090)	(785,090)
Academy	6,793,824	1,681,145	606,658	1,814,868	10,896,495

THE KHALSA ACADEMIES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	49,828,099	49,828,099
Current assets	329,375	1,318,225	-	1,647,600
Creditors due within one year	-	(921,145)	-	(921,145)
Total	329,375	397,080	49,828,099	50,554,554

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	50,724,486	50,724,486
Current assets	96,554	1,883,878	-	1,980,432
Creditors due within one year	-	(862,304)	-	(862,304)
Provisions for liabilities and charges	-	(24,000)	-	(24,000)
Total	96,554	997,574	50,724,486	51,818,614

20. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the respective local authorities of the academies listed in the Trustee's Report. Both are multi-employer defined benefit schemes.. Both are multi-employer defined benefit schemes.

The latest valuation of the TPS related to the period ended 31 March 2020 and the latest triennial valuation for LGPS related to the period ended 31 March 2022. The Trust has received an actuarial report relating to the valuation of the LGPS as at 31 August 2024.

Contributions amounting to £163,016 were payable to the schemes at 31 August 2024 (2023 - £135,855) and are included within creditors.

THE KHALSA ACADEMIES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

20. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI.

The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £1,131,706 (2023 - £852,419).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy trust has set out above, the information available on the scheme.

THE KHALSA ACADEMIES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

20. Pension commitments (continued)

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 2024 was £209,000 (2023 - £109,000), of which employer's contributions totalled £163,000 (2023 - £83,000) and employees' contributions totalled £46,000 (2023 - £26,000). The agreed contribution rates for future years are 20.5% - 22.8% per cent for employers and 5.5% - 9.9% per cent for employees.

As described in note 1.11 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Principal actuarial assumptions

London Borough of Redbridge Pension Fund

	2024	2023
	%	%
Rate of increase in salaries	2.65	2.95
Rate of increase for pensions in payment/inflation	2.65	2.95
Discount rate for scheme liabilities	5.00	5.20
	<hr/> <hr/>	<hr/> <hr/>

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

	2024	2023
	Years	Years
Retiring today		
Males	21.2	21.3
Females	24.0	24.1
Retiring in 20 years		
Males	21.5	21.6
Females	25.4	25.4
	<hr/> <hr/>	<hr/> <hr/>

West Midlands Pension Fund

	2024	2023
	%	%
Rate of increase in salaries	3.65	3.95
Rate of increase for pensions in payment/inflation	2.65	2.95
Discount rate for scheme liabilities	5.00	5.20
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THE KHALSA ACADEMIES TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

20. Pension commitments (continued)

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

	2024	2023
	Years	Years
Retiring today		
Males	20.5	20.6
Females	23.5	23.5
Retiring in 20 years		
Males	20.5	20.6
Females	24.6	24.6

Share of scheme assets

The Academy's share of the assets in the scheme was:

	At 31	At 31 August
	August 2024	2023
	£	£
Equities	400,000	308,000
Corporate bonds	270,000	28,000
Property	46,000	90,000
Cash and other liquid assets	54,000	47,000
Total market value of assets	770,000	473,000

The actual return on scheme assets was £47,000 (2023 - £5,000).

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

	2024	2023
	£	£
Current service cost	(161,000)	(102,000)
Interest income	44,000	22,000
Interest cost	(38,000)	(23,000)
Total amount recognised in the Statement of financial activities	(155,000)	(103,000)

THE KHALSA ACADEMIES TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

20. Pension commitments (continued)

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

	2024 £	2023 £
At 1 September	497,000	487,000
Current service cost	161,000	102,000
Interest cost	38,000	23,000
Employee contributions	46,000	26,000
Actuarial losses/(gains)	28,000	(141,000)
At 31 August	770,000	497,000

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

	2024 £	2023 £
At 1 September	473,000	462,000
Interest income	44,000	22,000
Actuarial gains/(losses)	44,000	(120,000)
Employer contributions	163,000	83,000
Employee contributions	46,000	26,000
At 31 August	770,000	473,000

21. Contingent asset

As at 31 August 2024, the actuarial valuation of the Local Government Pension Scheme was calculated as a surplus of £151,000 (2023: £24,000 deficit). As this valuation does not give rise to a virtually certain economic benefit for the trust, either in the form of a reduction in future contributions or a cash settlement, any surplus arising on the valuation is recognised solely as a contingent asset.

22. Operating lease commitments

At 31 August 2024 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	59,662	4,076
Later than 1 year and not later than 5 years	139,229	5,814
	198,891	9,890

THE KHALSA ACADEMIES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

23. 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.

24. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period account, other than certain trustees' remuneration and expenses already disclosed in note 12.

Khalsa Academies Trust Ltd

Hollybush Hill Stoke Poges SL2 4QP

Date: 12/12/2024

Your ref: **KHA001**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

Khalsa Academies Trust Ltd

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy trust's financial statements and, as relevant, your assurance engagement on regularity for the year ended 31 August 2024. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

1. We have fulfilled our responsibilities as Trustees as set out in the terms of your engagement letter, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the transactions undertaken by the academy trust have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement. We have provided you with unrestricted access to all appropriate persons within the academy trust, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with the Education and Skills Funding Agency, Department for Education and the Charity Commission.
4. The financial statements are free of material misstatements, including omissions.
5. We approve all adjustments as set out in Appendix A, and all decisions on issues requiring the exercise of judgement. We believe that those uncorrected misstatements identified during the audit are immaterial both individually and in aggregate to the financial statements as a whole. A list of these items will also be included in Appendix A, if applicable, together with our reasons for not correcting them.

Internal Control and Fraud

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error and which conform to the requirements both of propriety

and good financial management. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

7. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and Liabilities

9. The academy trust has satisfactory title to all assets and there are no liens or encumbrances on the academy trust's assets, except for those that are disclosed in the notes to the financial statements.
10. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
11. We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
12. We consider that the actuarial assumptions made in connection with the valuation of the deficit on the local government defined benefit pension scheme, are appropriate and representative of the scheme members.

Accounting Estimates

13. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
14. All accounting policies adopted are appropriate for the academy trust and are adequately disclosed.

Loans and arrangements

15. The academy trust has not granted any advances or credits to, or made guarantees on behalf of directors other than those disclosed in the financial statements.

Legal claims

16. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

17. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
18. All relevant correspondence with the academy trusts regulators, including serious incident reports, has been made available to you.

Related parties

19. Related party relationships and transactions, comply with the academy trust's financial regulations, relevant requirements of the Academy Trust Handbook and have been appropriately accounted for and

disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Subsequent events

20. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

21. We believe that the academy trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy trusts needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the academy trust's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

22. Grants made by the Department of Education and Education and Skills Funding Agency have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government.

23. All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

24. The academy trust has not been in receipt of any income relating to the year ended 31 August 2024 other than that recorded within the books.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make themselves aware of any relevant audit other information and to establish that you are aware of that information.

Yours faithfully



.....
Khalsa Academies Trust Ltd

Signed on behalf of the Board of Trustees

Khalsa Academies Trust Ltd

Hollybush Hill Stoke Poges SL2 4QP

12/12/2024
Date:

Your ref: **KHA001**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

Khalsa Academies Trust Ltd

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as I consider necessary in connection with your assurance report on regularity to Khalsa Academies Trust Ltd and the Education and Skills Funding Agency (ESFA) for the year ended 31 August 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy me that I can make each of the following representations. All representations are made to the best of my knowledge and belief.

General

1. I have fulfilled my responsibilities as accounting officer under the requirements of the funding agreement between Khalsa Academies Trust Ltd and the Secretary of State for Education the Academy Trust Handbook 2023.
2. I acknowledge my personal responsibility to Parliament for the regularity and propriety of the public finances for which I am answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in my charge.
3. I acknowledge my responsibility to notify the Trustee Board and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the academy trust's funding agreement and have had due regard to the requirements of the Academy Trust Handbook 2023 in performing this duty.
4. Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.

5. Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the academy trust's authorising framework.
6. Full and free access has been granted to all records, correspondence, information and explanations that you have considered necessary to enable you to perform your work.

Yours faithfully



.....
Accounting Officer
Khalsa Academies Trust Ltd

Khalsa Academies Trust Ltd

Hollybush Hill Stoke Poges SL2 4QP

Subsequent Events Confirmation

As part of our completion work for the audit of the trust, we are required to obtain confirmation regarding subsequent events following the balance sheet date. Therefore, we would be grateful if you could confirm whether there are any events or conditions including, but not limited to, any potential legal proceedings against the trust which have been brought to your attention following 31 August 2024. Events/conditions could also include fraud within or external to the trust.

Please either state **N/A** or **enter details below**.

Please note the text will be enlarged at the point of typing, but this will appear smaller once submitted.



.....
Accounting Officer
Khalsa Academies Trust Ltd