

COMPANY REGISTRATION NUMBER 07549443

SLOUGH SIKH EDUCATION TRUST LIMITED

(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

31 AUGUST 2014

**Slough Sikh Education Trust Limited
Reference and administrative details**

Governors (Trustees)

J Singh
N S Kandola
M S Kaley
S S Jhattu
O S Randhawa
I Singh

Secretary

J Singh

Senior management team

As above plus
R Codling – Head teacher

Registered Office

4 Wood End Close
Farnham Common
Bucks
SL2 3RF

Company Registration Number

07549443

Auditors

Haines Watts
Old Station House
Station Approach
Newport Street
Swindon
SN1 3DU

Bankers

Lloyds Bank
Threadneedle Street
London

Solicitors

Stone King LLP
16 St John's Lane
London
EC1M 4BS

Slough Sikh Education Trust Limited Governors' Report

The Governors present their annual report together with the audited financial statements of the Academy Trust, Slough Sikh Education Trust Limited, for the year ended 31 August 2014.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Trust.

The Governors are the trustees of the Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Slough Sikh Education Trust Limited.

Details of the trustees who served during the period are as follows:-

J Singh
N S Kandola
M S Kaley
S S Jhattu
O S Randhawa
I Singh

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

In accordance with normal practice the Academy Trust has purchased insurance to protect the governors and officers from claims arising from negligent acts, errors or omissions occurring while conducting Academy business. The insurance provides cover up to £2,000,000 on any one claim.

Principal Activities

The Academy Trust's object is specifically restricted to the advancement for the public benefit of education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Sikh Religious Character offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust has 6 Members including the Chair of Governors and 5 Governors who have signed the Memorandum of Association. The Secretary of State has the right to appoint a Member and the Members have the right to appoint additional Members from the Governing Body.

No limit has been imposed on the number of Governors that may serve on the Governing Body although it should never be less than 3. At 31 August 2014, the Academy Trust had 11 Governors, 6 Trustees, 2 Parent Governors, 2 Co-opted Governors and the Principal as an ex-officio Governor. A vacancy exists for one staff Governor. The term of office for any Governor is 4 years and, subject to eligibility, Governors may be re-appointed or re-elected. Staff governors are elected by the staff and parent governors by the parents.

The Governors who served on the Governing Body from the 1 September 2013 to 31 August 2014 are listed in the reference and administrative details on page 2.

Slough Sikh Education Trust Limited Governors' Report (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees.

The Governing Body has designated a specific Governor, M S Kaley, responsible for the induction and training of Governors. All new Governors have received an induction from the Headteacher and a pack of training materials including the DfE guide for School Governors, previous minutes of meetings, the Articles of Association and Funding Agreement and the School Development Plan. Governor training is listed as a standing item on agendas for full Governing Body meetings and is generally provided for by the local authority or its representatives.

Organisational Structure

The organisational structure of the Academy Trust has 3 levels: Governance, leadership and management. The Governing Body are responsible for setting the vision and aims of the Academy Trust, adopting and monitoring the annual school development plan and budget and making major strategic decisions about the future of the Academy, capital expenditure and senior staff appointments. The Leadership Team consisting of the Principal, the senior teachers and the business manager operate as the academy executive and provide regular reports to the Governing Body. The management team operate the academic, pastoral and business functions of the academy. The Governing Body has in place a delegation policy showing the limits at which expenditure can be authorised at each level of management within the academy.

Risk Management

The Governing Body is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible.

Appropriate Safeguarding and Health and Safety policies and procedures will require staff to complete risk assessments (including COSHH) for all aspects of the curriculum, enriched curriculum and wrap-around care. Staff will be trained to follow clear procedures and understand the importance of adhering to these when planning lessons, residential activities, trips and visit. The school senior leadership team and a linked governor will check that risk assessments have been completed and appropriate safeguarding arrangements are in place well before activities take place.

Designated staff and governors will ensure that appropriate and effective Child Protection and Safeguarding policies (including recruitment and vetting) are in place, that procedures adhered to by staff and all relevant training (including First Aid) is regularly updated.

Principal Risks and Uncertainties

The principal risks identified fall into two main categories which are

1. Financial (student numbers)
The schools income is entirely dependent on the number of pupils seeking admission to the school. During 2014, the maximum capacity of the school was 120 places and only 90 pupils were admitted, largely due to the uncertainty surrounding the site of the school. This resulted in a reduced income which has led to the school expecting a financial deficit for the period to Sept 2015. The Trustees have prepared a three year financial plan which ensures that a surplus is generated in each of the next three years in order to achieve a cumulative surplus. Furthermore, the school admissions for September 2015 are now oversubscribed which will ensure that the financial position improves going forward.
2. Site refurbishment
The refurbishment of the main site has been delayed as a result of the lengthy planning process. The appointment of a suitable contractor in time for Sept 2015 may be delayed and therefore impact on the quality of education for pupils. The Trustees are pursuing plans to ensure that these works are now completed before Sept 2015.

Slough Sikh Education Trust Limited Governors' Report (continued)

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of the Academy Trust.

Objectives and Activities

Objects and Aims

Our vision for the Khalsa Secondary Academy is inspiring, aspirational and articulated through three themes:

- We want to create a school that goes '*Beyond Academic Achievement*' where we provide an exceptional academic education and encourage a passion for life-long learning where students, staff and parents work together to the best of our abilities with honesty, integrity and self-discipline. This is what we will inspire our students to do.
- A school where we go '*Beyond the Individual*' to ensure that we foster all aspects of personal development and encourage students to take a life-long journey of self-discovery through self-reflection and meditation.
- A school which inspires students to go '*Beyond Selflessness*' where they share their future skills, knowledge and income with those in need, in love and charity and without discrimination.

We aim to create a high achieving, 11 – 19 non-selective school which will follow the principles and values of the Sikh faith. We will offer a comprehensive academic education to rival that provided by the local grammar schools but be open to all.

Our school will be an exemplar school based upon the Sikh ethos but inclusive to all. Our excellence will be built upon a strong partnership between passionate staff, committed learners and dedicated parents to build an outstanding school.

Objectives, Strategies and Activities

Our core objectives include the achievement of an "Outstanding" school rated by Ofsted by 2018. All school plans will be designed to achieve this end goal.

Public Benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Achievements and Performance

The Academy opened on the 5th September 2013 and the first year of operations has been a success. The feedback from students, staff and parents shows that they are happy with the school. Recent feedback from the DFE monitoring visits state that "Khalsa secondary school provides a good quality education for its students. The positive and inclusive ethos, coupled with excellent behaviour for learning ensures that the students are making rapid progress". The school received over 100 applications for September 2014 and therefore was undersubscribed due to the uncertainty of the site. Applications for September 2015 are strong with the school being oversubscribed and it now has a waiting list of around 35 families.

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 Accounting Policies note of the financial statements.

**Slough Sikh Education Trust Limited
Governors' Report (continued)**

Financial Review

The Academy Trust had a financially challenging year mainly due to pupil's numbers being below the maximum intake of 120. This was mainly due to the uncertainty surrounding the site on which the school is based as mentioned above. The Academy's operating deficit for the year was £110,256 and the carried forward operating deficit was £17,745. This was in line with the schools budgets as a deficit was expected in early years of the school. This is due to the need to put into place a long term staffing structure, senior leadership team and in upfront expenditure on educational books and materials.

The Academy Trust has a three year financial plan in place to resolve the deficit position and move to a surplus. This task will be greatly aided by the fact that pupil numbers for the next financial year are strong with a waiting list of around 35 pupils over and above our intake of 120 pupils.

In addition the Academy Trust was awarded capital grants for the year of £359,461 (net of vat) for buildings, ICT and FF&E.

Financial and Risk Management Objectives and Policies

The Academy Trust has its own policy and a regularly updated risk register.

Reserves Policy

The Trustees and Governing body will ensure that sufficient reserves are held in order to ensure that any delays to receiving the regular monthly funds from the Department for Education do not disrupt the regular outgoing payments required by the school. The Trust holds free reserves (unrestricted reserves less functional fixed assets) of £7,203 as at 31 August 2014. Restricted general reserves are in deficit at the year end and, as noted above, the Trust has a three year financial plan in place to resolve this deficit position.

Investment Policy

The Trustees do not expect to have surplus funds during the next twelve months and therefore no external investments will be made.

Plans for Future Periods

Our key objectives include:

- To provide an exceptional academic education to all our students.
- Our school adds value to the academic achievement of every student.
- To provide the best standards of teaching.
- Performs as the top non-selective school in the local area.
- Becomes the school of choice for local parents whether Sikh or of another faith or none.
- Achieves OFSTED ratings of Outstanding within 5 years.

Auditor

In so far as the Governors are aware:

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

Approved by order of the board of Governors on and signed on its behalf by:



N S KANDOLA Chair of Governors

Slough Sikh Education Limited Governance Statement

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Trust Academy 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 Governing body meets on a regular basis throughout the year to review progress on all aspects of the school.

Attendance during the year at meetings was as follows:

Governors	Meetings attended	Out of Possible
J Singh	4	4
N S Kandola	4	4
M S Kaley	4	4
O S Randhawa	3	4
I Singh	3	4
S Jhattu	4	4

Three sub-committees were operational during this period which included Finance and Marketing, Education, Site and ICT. Each sub-committee had terms of reference and included members of the Trust as well as specialists who were experts in the relevant area.

The Finance sub-committee's purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy's 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 Trust Academy for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Governors has reviewed the key risks to which the Trust Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust Academy's significant risks that has been in place for 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

**Slough Sikh Education Trust Limited
Governance Statement (continued)**

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 governing body;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The governors have appointed J Singh, a Governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis since September 2012, the RO reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

The RO's function has been fully delivered in line with the EFA's requirements.

Review of Effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer
- the work of the external auditors
- the financial management and governance self – assessment process
- other explicit review/assurance mechanisms.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Responsible Officer on behalf of the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In particular it has been noted that, mainly due to significant changes in finance staff (both internal and external) during the period, the FMS accounting information was not as straight forward and accurate as it should have been for the period under review. This issue has been fully addressed now with the appointment of a full time business and resource manger that has responsibility for FMS. We fully acknowledge matters raised during the recent external audit and are working to resolve all matters noted.

Approved by order of the board of trustees on 10th March 2015 and signed on its behalf by:



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N S Kandola
Chair of Governors



.....
Rose Codling
Accounting Officer

**Slough Sikh Education Trust Limited
Statement On Regularity, Propriety And Compliance**

As accounting officer of the Slough Sikh Educational Trust Limited I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and EFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA:

There were a small number of employees during the period to August 2014, who were eligible to participate in the Local Government Pension Scheme, were not appropriately resisted during the period to enable pension contributions (both employee and employer) to be remitted to the pension providers on a timely basis. All eligible employees have now been registered and all contributions relating to both the prior period and current period have been remitted to the Scheme. We fully acknowledge our responsibilities under the Pension Act to ensure contributions are paid across on a timely basis and we have systems in place to ensure this is now done.



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**R Codling
Accounting officer**

Slough Sikh Education Trust Limited Statement Of Governors' Responsibilities

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

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 operation.

The Governors 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 Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency and Department for Education have been applied for the purposes intended.

In so far as the Governors are aware:

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

The Governors 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 Governing Body on 10th March 2015 and signed on its behalf by



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N S Kandola
Chair of Governors

Slough Sikh Education Trust Limited
Independent Auditor's Report to the members of Slough Sikh Education Trust Limited

We have audited the financial statements of Slough Sikh Education Trust Limited for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, the Accounts Direction 2013 to 2014 issued by the Education Funding Agency and the Financial Reporting Standard for Smaller Entities (effective April 2008) United Kingdom Generally Accepted Accounting Practice applicable to smaller entities.

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out in this report, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [(APB's)] Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2014, 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 applicable to smaller entities ; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Slough Sikh Education Limited
Independent Auditor's Report to the members of Slough Sikh Education Trust Limited (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Susan Plumb Senior Statutory Auditor
For and on behalf of Haines Watts, Statutory Auditor
Old Station House
Station Approach
Newport Street
Swindon
SN1 3DU

11 March 2015

Independent Reporting Accountant's Assurance Report on Regularity to Slough Sikh Education Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 5 February 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Slough Sikh Education Trust during the period 1 September 2013 to 31 August 2014 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 Slough Sikh Education Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Slough Sikh Education Trust and EFA 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 Slough Sikh Education Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Slough Sikh Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Slough Sikh Education Trust's funding agreement with the Secretary of State for Education 31st August 2013 and the Academies Financial Handbook, extant from 1 September 2013 (updated October 2013) 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period [insert the start date of the period for which the financial statements have been prepared] to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance
- review of minutes which may be relevant to regularity
- consideration of discussions with key personnel
- substantive testing of individual transactions

Independent Reporting Accountant's Assurance Report on Regularity to Slough Sikh Education Trust Limited and the Education Funding Agency

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 period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As noted in the Accounting Officer's Statement On Regularity, Propriety And Compliance eligible employees of the local Government Pension Scheme were not registered and contributions not remitted on a timely basis during the period. This matter has been fully resolved post year end.



Susan Plumb
Senior Statutory Auditor
For and on behalf of Haines Watts, Chartered Accountants

Date 11 March 2015

Slough Sikh Education Limited
Statement of Financial Activities for the year ended 31 August 2014
(including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2014 £	Total 2013 £
Incoming resources						
<i>Resources from generated funds</i>						
- Voluntary income	2	38,912	-	-	38,912	-
- Activities for generated funds	3	84,356	-	-	84,356	-
- Investment income	4	52	-	-	52	-
<i>Incoming resources from charitable activities:</i>						
- Funding for educational operation	5	-	648,806	359,461	1,008,267	718,424
Total incoming resources		123,320	648,806	359,461	1,131,587	718,424
Resources expended						
Cost of activities for generating funds						
		116,117	-	-	116,117	-
<i>Charitable activities:</i>						
- Educational operations		-	750,466	67,456	817,922	-
Set up costs	6	-	-	-	-	201,831
Governance costs	6	-	15,799	-	15,799	5,658
Total resources expended		116,117	766,265	67,456	949,838	207,489
Net incoming/(outgoing) resources before transfers		7,203	(117,459)	292,005	181,749	510,935
Gross transfers between funds		-	-	-	-	-
Net income/(expenditure) for the year		7,203	(117,459)	292,005	181,749	510,935
Net movement in funds		7,203	(117,459)	292,005	181,749	510,935
Funds brought forward 1 September 2013		-	92,511	418,424	510,935	510,935
Funds carried forward at 31 August 2014	14	7,203	(24,948)	710,429	692,684	510,935

All incoming resources and resources expended arise from continuing activities.

A statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Slough Sikh Education Limited
Balance Sheet as at 31 August 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	11	813,482	418,424
Current assets			
Stock		5,450	-
Debtors	12	291,501	328,042
Cash at bank and in hand		230	97,213
		<hr/>	<hr/>
		297,181	425,255
Creditors: Amounts falling due within one year	13	417,979	332,744
Net current (liabilities)/assets		(120,798)	92,511
Total assets less current liabilities		<hr/>	<hr/>
		692,684	510,935
Net assets		<hr/>	<hr/>
		692,684	510,935
Funds of the academy:			
Restricted funds			
Fixed asset funds	14	710,429	418,424
General funds	14	(24,948)	92,511
Total restricted funds		<hr/>	<hr/>
		685,481	510,935
Unrestricted funds		7,203	-
Total funds	14	<hr/>	<hr/>
		692,684	510,935

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 15 to 29 were approved by the trustees, and authorised for issue on 10th March 2015 and are signed on their behalf by:



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N S Kandola
Chair of Governors

Company Limited by Guarantee
 Registration Number 07549443

Slough Sikh Education Trust Limited
Cash Flow Statement for the year ended 31 August 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	21	(28,478)	97,213
Returns on investments and servicing of finance	22	52	-
Capital expenditure	23	(103,053)	-
Decrease in cash in the year	24	<u>(131,479)</u>	<u>(97,213)</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2013		97,213	-
Net funds at 31 August 2014		<u>(34,266)</u>	<u>97,213</u>

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014

1 Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency, the Companies Act 2006 and the Financial Reporting Standard For Smaller Entities. A summary of the principal accounting policies is set out below.

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 one year from the date of approval of the financial statements.

Incoming Resources

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable 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 is certainty of receipt and the amount can be reliably measured.

Other income

Other income is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs. All resources expended are inclusive of any irrecoverable VAT.

Charitable activities

These are costs incurred on the Academy's educational operations.

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1 Accounting Policies (continued)

Governance Costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

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, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful lives, as follows:

Long leasehold improvement	-	50 years
Fixtures, fittings and equipment	-	10 Years
ICT equipment	-	5 years
Motor vehicles	-	4 years

Stocks

Stocks are valued at the lower of cost and net realisable value.

Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit schemes, is contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy.

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 quinquennial valuations using a prospective benefit method. As stated in Note 18, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

For details of the Local Government Pension Scheme see note 18.

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

Accounting Policies (continued)

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

2 Voluntary income

	Unrestricted Funds	Restricted Funds	Total 2014	Total 2013
	£	£	£	£
Donations	38,912	-	38,912	-
	38,912	-	38,912	-

3 Activities for generating funds

	Unrestricted Funds	Restricted Funds	Total 2014	Total 2013
	£	£	£	£
School bus income	6,825		6,825	-
Catering	33,263		33,263	-
Enrichment activities	44,268		44,268	-
	84,356	-	84,356	-

4 Investment income

	Unrestricted Funds	Restricted Funds	Total 2014	Total 2013
	£	£	£	£
Bank interest	52	-	52	-
	52	-	52	-

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

5 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
DfE/EFA revenue grants				
General Annual Grant	-	473,806	473,806	-
Pre-opening Grant	-	-	-	300,000
Start up Grant	-	175,000	175,000	-
Fixed Asset Grants	-	359,461	359,461	418,424
	<u>-</u>	<u>1,008,267</u>	<u>1,008,267</u>	<u>718,424</u>

6 Resources Expended

	Staff Costs £	Non Pay Expenditure		Total 2014 £	Total 2013 £
		Premises £	Other Costs £		
Costs of activities for generated funds	12,749	-	103,368	116,117	-
Educational operations					
- Direct costs	477,004	125,567	24,087	626,658	-
- Allocated support costs	99,202	45,687	46,375	191,264	-
	<u>588,955</u>	<u>171,254</u>	<u>70,462</u>	<u>817,922</u>	<u>-</u>
Set up costs	-	-	-	-	201,831
Governance costs	-	-	15,799	15,799	5,658
	<u>588,955</u>	<u>171,254</u>	<u>189,629</u>	<u>949,838</u>	<u>207,489</u>

**2014
£** **2013
£**

Incoming/outgoing resources for the year include:

Audit	3,500	1,250
Depreciation	67,456	-
	<u>67,456</u>	<u>-</u>

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

6. Charitable Activities Costs

	Total 2013 £
Set up costs	
Staff salaries	75,270
Educational supplies	6,717
Staff development	550
Advertising and promotional costs	24,649
Technology costs	10,177
Recruitment and support	17,300
Maintenance of premises and equipment	13,699
Professional fees	40,925
Telephone	593
Printing, postage and stationary	4,396
Motor costs	1,128
Insurance	1,019
Uniform	728
Catering	382
Other support costs	4,299
	<u>201,831</u>

Charitable activities – educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Direct costs				
Teaching and educational support staff costs	-	477,004	477,004	-
Depreciation	-	67,456	67,456	-
Curriculum	-	17,905	17,905	-
Premises costs	-	58,111	58,111	-
Staff development	-	9,706	9,706	-
	<u>-</u>	<u>630,182</u>	<u>630,182</u>	<u>-</u>
Allocated support costs				
Support staff costs		99,202	99,202	-
Technology costs	-	4,550	4,550	-
Recruitment and support	-	8,121	8,121	-
Temporary staff	-	32,639	32,639	-
Insurance	-	14,709	14,709	-
Other direct costs	-	28,519	28,519	-
	<u>-</u>	<u>187,740</u>	<u>187,740</u>	<u>-</u>
Total	<u>-</u>	<u>817,922</u>	<u>817,922</u>	<u>-</u>

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

7 Governance Costs

	Restricted Funds £	Total 2014 £	Total 2013 £
Legal and professional fees	12,299	12,299	4,408
Auditor's remuneration	3,500	3,500	1,250
	<u>15,799</u>	<u>15,799</u>	<u>5,658</u>

8 Staff Costs

	2014 £	2013 £
Staff costs during the period were:		
Wages and salaries	475,696	62,178
Social security costs	41,098	6,436
Pension costs	49,303	6,656
	<u>566,097</u>	<u>75,270</u>
Supply staff	22,858	-
Total	<u>588,955</u>	<u>75,270</u>

The average number of persons (including senior management team) employed by the Academy during the period, and the full time equivalents, was as follows:

	2014 Number	2014 Full-time equivalent	2013 Number	2013 Full-time equivalent
Charitable Activities				
Teachers	9	8	-	-
Administration and support	3	3	2	1
Management	1	1	1	1
	<u>1</u>	<u>1</u>	<u>3</u>	<u>2</u>

One employee received emoluments in excess of £60,000 during the year. These emoluments fell in the bracket of £80,000 - £90,000. Employer pension contributions to the Teachers' Pension Scheme in respect of this employee amounted to £11,985 for the year (2013 £3,075).

During the prior period no teaching was carried out. Teachers were employed to assist with the preparation and set up of the Academy.

Total pension contributions amounted to:-

Teacher' Pension Scheme	£45,973	(2013 £3,075)
LGPS (see note 18)	£3,330	(2013 £3,581)

Slough Sikh Education Trust Limited

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

9 Related Party Transactions - Trustees' Remuneration and Expenses

During the year ended 31 August 2014, there were no travel and subsistence expenses reimbursed to trustees. Related party transactions involving the trustees are set out in note 19.

10. Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £400 (2013 £353). The cost of this insurance is included in the total insurance cost.

11 Tangible Fixed Assets

	Leasehold Improvements £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
At 1 September 2013	342,005	19,706	56,713	-	418,424
Additions	39,982	143,632	247,876	31,024	462,514
At 31 August 2014	<u>381,987</u>	<u>163,338</u>	<u>304,589</u>	<u>31,024</u>	880,938
Depreciation					
At 1 September 2013	-	-	-	-	-
Charged in period	7,639	14,085	44,892	840	67,456
At 31 August 2014	<u>7,639</u>	<u>14,085</u>	<u>44,892</u>	<u>840</u>	67,456
Net book values					
At 31 August 2014	<u>374,348</u>	<u>149,253</u>	<u>259,697</u>	<u>30,184</u>	813,482
At 31 September 2013	<u>342,005</u>	<u>19,706</u>	<u>56,713</u>	-	418,424

12 Debtors

	2014 £	2013 £
VAT recoverable	44,279	21,780
Other debtors	5,804	-
Prepayments and accrued grant income	<u>241,418</u>	<u>306,262</u>
	<u>291,501</u>	<u>328,042</u>

Slough Sikh Education Trust Limited

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

13 Creditors: amounts falling due within one year

	2014	2013
	£	£
Overdraft	34,496	-
Trade creditors	191,412	294,893
Taxation and social security	62,901	36,255
EFA abatement of GAG	53,368	-
Accruals	75,802	1,596
	<u>417,979</u>	<u>332,744</u>

14 Funds

	Balance at 1 September 2013 £	Incoming Resources £	Resources Expended £	Balance at 31 August 2014 £
Restricted general funds				
Pre opening Grant	92,511	-	(92,511)	-
General Annual grant	-	473,806	(498,754)	(24,948)
Other DfE/EFA grant	-	175,000	(175,000)	-
	<u>92,511</u>	<u>648,806</u>	<u>(766,265)</u>	<u>(24,948)</u>
Restricted fixed asset funds				
DfE/EFA capital grants	418,424	359,461	(67,456)	710,429
	<u>418,424</u>	<u>359,461</u>	<u>(67,456)</u>	<u>710,429</u>
Total restricted funds	510,935	1,008,267	(833,721)	685,481
Unrestricted funds	-	123,320	(116,117)	7,203
Total funds	<u>510,935</u>	<u>1,131,587</u>	<u>(949,838)</u>	<u>692,684</u>

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

Restricted General funds are those which are supplied for a specific duty and the funds spent only in accordance with the agreement or restrictions placed upon them.

Restricted Fixed Asset funds are assets purchased from funds received for that specific purpose.

Fund in deficit –The Academy has a three year financial plan in place to resolve the deficit position and move to a surplus.

Slough Sikh Education Trust Limited**Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)****15 Analysis of net assets between funds**

Fund balances at 31 August 2014 are represented by:

	Unrestricted Funds 2014 £	Restricted General Funds 2014 £	Restricted Fixed Asset Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Tangible fixed assets		103,053	710,429	813,482	418,424
Current assets	7,203	289,978	-	297,181	425,255
Current liabilities	-	(417,979)	-	(417,979)	(332,744)
Total net assets/liabilities	7,203	(24,948)	710,429	692,684	510,935

16 Capital commitments

	2014 £	2013 £
Contracted for, but not provided in the financial statements	nil	nil

17 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.

18 Pension and similar obligations

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. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2013 and of the LGPS 31 March 2013.

Teachers' Pension Scheme***Introduction***

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition

teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Slough Sikh Education Trust Limited

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded

Slough Sikh Education Trust Limited

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. As noted in the Statement of Regularity, Propriety and Compliance on page 9 the Academy was not registered as a participating employer at 31 August 2014 as thus no Financial Reporting Standard 17 valuation is available. Any FRS 17 adjustments that would have been required, had the Academy been registered, would not be material to the accounts due to the level of contributions made and small number of participating staff. FRS 17 will be fully adopted for the year ended 31 August 2015.

19 Related Party Transactions

There are no related parties that either control or significantly influence the decisions and operations of the Academy.

20 Ultimate Controlling Party

The Academy Trust is controlled by the trustees.

Slough Sikh Education Trust Limited
Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

21 Reconciliation of net income to net cash inflow from operating activities

	2014	2013
	£	£
Net income	181,749	510,935
Depreciation	67,456	-
Capital grants from DfE/EFA	(359,461)	(418,424)
Interest receivable	(52)	-
(Increase)/decrease in stocks	(5,450)	-
(Increase)/decrease in debtors	36,541	(328,042)
Increase/(decrease) in creditors	50,739	332,744
Net cash inflow from operating activities	<u>(28,478)</u>	<u>97,213</u>

22 Returns on investments and servicing of finance

	2014	2013
	£	£
Interest received	52	-
Net cash inflow from returns on investment and servicing of finance	<u>52</u>	<u>-</u>

23 Capital expenditure and financial investment

	2014	2013
	£	£
Purchase of tangible fixed assets	(462,514)	(418,424)
Capital grants from DfE/EFA	359,461	418,424
Net cash outflow from capital expenditure and financial investment	<u>(103,053)</u>	<u>-</u>

24 Analysis of changes in net funds

	At 1 September 2013 £	Cash flows £	At 31 August 2014 £
Cash in hand and at bank	97,213	(96,983)	230
Overdraft	-	(34,496)	(34,496)
	<u>97,213</u>	<u>(131,479)</u>	<u>(34,266)</u>