

Charity Registration No. 1142914

Company Registration No. 06596179 (England and Wales)

WISDOM SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

WISDOM SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Selcuk Bassoy	(Appointed 30 September 2019)
	Mr Mahmut Gunaydin	(Appointed 1 May 2020)
	Mr Rustam Aliyev	
Secretary	Mr Huseyin Adak	
Charity number	1142914	
Company number	06596179	
Registered office	110 Colindeep Lane London Middlesex United Kingdom NW9 6HB	

WISDOM SCHOOL

CONTENTS

	Page
Trustees' report	1 - 9
Independent auditor's report	10 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 24

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 's [governing document], the Companies Act 2006 and "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) (effective 1 January 2019)".

The charity operates under the name of North London Grammar School.

The Headteacher in the period under review was Mr H F Adak.

Objectives and activities

The principle objectives of the company are:

- As described in the Memorandum of Association is to hold funds and to utilise the income for charitable purposes for the benefit of the public including but not limited to the advancement of education;
- The relief of financial hardship by making grants of money for providing or paying for services or facilities;
- To establish and maintain such institutions as nurseries, weekend schools, schools, college and universities to promote the advancement of education of pupils at their schools and in out of school environments;
- To establish schools in order to have a positive impact in education and to emphasize importance and increase awareness of technology, mathematics, science education, music, sports, humanities and arts among students, parents and general public.
- To organise such courses and events as those which will assist the disadvantaged members of the community to develop capacity and skills that will help them participate fully in society by identifying and helping meet their needs;
- To promote equality and diversity for the benefit of the public in England by encouraging the elimination of discrimination on grounds of race, religion, disability or ethnic origin by raising awareness and understanding of the background, qualities and needs of individuals living in and organisations and groups operating in the area of benefit and by promoting attitudes, customs and practices in favour of equality.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The strategies for achieving these objectives are:

In order to fulfil the above-listed objectives of the Charity more fully, the trustees together with the head of school and SLT have agreed that NLGS should aim to:

- To provide exceptional education to the highest possible standards with excellent teaching, learning and extra-curricular opportunities to all pupils regardless of their social, cultural, religious, and financial background.
- To recruit the highest possible calibre of teaching and support staff and facilitate their continuing professional development.
- To maintain a mix of pupils from a wide range of socio-economic background by supporting the optimum number of pupils with the cost of education, on a means-tested basis from the Charity's limited endowment funds and other fund raising.
- To embrace modern technology and use it to enhance pupils' independence as learners and prepare for the future.
- To maintain a vibrant and diverse programme of co-curricular activities which plays a key role at NLGS, enabling all pupils to explore and develop new interests, challenge themselves and take responsibility, develop teamwork and leadership skills, make friends, and have fun.
- To provide a happy and secure pastoral environment in which all pupils can flourish with opportunities for leadership, service and an acknowledgement of respect and consideration to others.
- To educate pupils to have a true sense of service to their communities.
- To fill all available places across all year levels by attracting more pupils who have demonstrated academic potential and learning skills to benefit from North London Grammar School's rigorous academic programme.
- To further develop existing strong group communications and relationships with our stakeholders including the parents, extended families as well as the alumni community.
- To build on our school's existing links with other Charities, Outreach Projects and the wider community by helping and supporting them and making contributions to their activities and projects in any way possible.
- To open the school facilities for community use, at appropriate times, within safeguarding constraints.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Activities to Achieve Charity Objectives for Public Benefit

Bursary

It is important to NLGS that access to the education offered is not restricted simply to those that can afford the fees. During the year, 21 pupils (2018-2019: 19 pupils) were awarded fees assistance totalling £77,707 (2018-2019: £77,789). It is recognized that pupils benefit from learning within a diverse community and that learning occurs through social interaction and shared experience. The provision of means tested bursary support continues as a key feature of the school's admissions process with bursaries up to 100% of the fees being available and regularly awarded. In making decisions about the allocation of bursaries, a number of factors are considered including the pupil's performance in the entrance assessment and interview, the potential for the pupil's all-round contribution to NLGS, the family's gross income and assets and any other important and relevant personal and family circumstances.

Scholarship

Each year the school offers several full or partial scholarships to eligible pupils across all year levels who demonstrate advanced academic potential with outstanding learning skills to benefit from our school's rigorous academic programme. Scholarships are offered in the form of Scholarship. Each year the school offers several full or partial scholarships to eligible pupils across all year levels who demonstrate advanced academic potential with outstanding learning skills to benefit from our school's rigorous academic programme. Scholarships are offered in the form of percentages deductible from the tuition fees. During the year 45 (2018-2019: 46 pupils) pupils were awarded fees assistance totalling £265,020 (2018-2019: £263,040).

Charitable Giving

The Charity strongly believes in the value of NLGS pupils being involved in partnerships, charitable events, and volunteering in a wide variety of ways. As such, it is committed to working closely with many local charities and like-minded organisations and aims to awaken in its pupils an awareness of the social context of the all-round education they receive. The pupils raised money for designated charities throughout the year. Additionally, many of our pupils take part in voluntary work in the community. This includes helping at local churches, care homes, hospitals, and numerous children's activity groups.

Community and Local Schools Support

NLGS sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our pupils, and we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local clubs and societies. We host joint events with other local schools and local clubs. The school hosts various events, competitions and festivals throughout the year enabling children of all ages and adults from across the region to use our facilities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the should undertake.

The major activities of the company during this period have been:

Teaching

English, reading, mathematics, design technology, science, history, art & design, music, physical education, personal, social, health education and citizenship, religious education, geography, information and communication technology.

Student services

School bus service, school lunch and hall hires.

These have been delivered from the company's preeminent site at North London Grammar School in Hendon.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

NLGS has a vision that all pupils in our care will enjoy success. NLGS aims to encourage all of our pupils to participate in a variety of activities and opportunities, both curricular and extracurricular. This helps to maximize their personal development and confidence and just as importantly encourage them to enjoy all aspects of NLGS whilst forging lifelong friendships. Cocurricular activities are spread across a wide range of sports and the performing arts as well as many other clubs and opportunities. A wide range of achievements are detailed below together with the pupils' excellent academic results:

Achievements and Other Activities

Our school became a member of the International Mathematics Assessment for Schools (IMAS) – a world-class mathematics assessment test for middle primary, upper primary and lower junior secondary pupils. This year NLGS students had the following achievements at the IMAS:

a. Year 5 and Below:

1 Gold – UK Region

b. Years 6 – 7:

1 Bronze – UK Region

c. Year 8:

1 Gold and 1 Bronze – UK Region

Participated in the UKMT Mathematical Challenge 2019-2020 and won:

a. Junior Mathematical Challenge (JMC)

1 Gold, 4 Silver, 7 Bronze

b. Intermediate Mathematical Challenge (IMC)

2 Gold, 4 Silver, 8 Bronze

c. Senior Mathematical Challenge (SMC)

3 Gold, 2 Silver, 2 Bronze

NLGS table tennis team represented our school admirably at the North London Schools Individual Qualifying Table Tennis Tournament. One of our students finished in the top 4 of the U19 age category and was supposed to represent NLGS at the Jack Petchey London Finals on the 4th of April. Regrettably, the event was cancelled due to COVID-19 restrictions.

Students signed up to become members of Wings of Hope, organised fund-raising events to help contribute towards students getting an education in Malawi and India. They were also involved in various other activities at the school.

Lady Zahava Kohn visited our school to speak to our students about her experiences as a survivor in a concentration camp. It was a remarkable tale to hear about how she survived the horrors of the Holocaust and showed incredible resilience and determination to rebuild her life afterwards.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Mr Peter Richards, South London artist and Art educator, visited our school and taught our Year 11's, helping them prepare their exam portfolios.

NLGS UFP programme was recognized by 10 more universities and the total number reached 91 universities (2018-2019: 81 Universities).

In addition to our rigorous curriculum and exciting extra-curricular activities at North London Prep School (NLPS), LAMDA and Lemon Jelly helped our pupils to experience everything that the world of performing arts could offer, essential skills for life.

During COVID-19

While the school closures during the COVID-19 pandemic affected many schools and limited the educational services in different ways, NLGS made effective use of educational technologies and continued to offer remote learning and intervention sessions in the form of live lessons via Microsoft Teams.

We were also able to continue some of our popular extracurricular activities and school events in the form of virtual activities as we believed they were important to support the mental wellbeing of our pupils and their families alike during the pandemic. A few examples of the activities and events that were offered remotely are Fitness, Yoga, Minecraft, Film Clubs and virtual home visits.

School-parent communication:
During the pandemic, we developed stronger communication with our parents and pupils alike using alternative communication channels including telephone, live audio and video calls via Microsoft teams and online surveys. Mental wellbeing support and resources were offered. One-on-one 20-30 minute live sessions with pupils and parents.

NLGS also offered several Reach Out Projects to support the wider school community, which included:

-Virtual Bake-off Challenge to help fundraise for Wings of Hope Charity to enable them to offer more opportunities for poor and underprivileged children in India and Malawi by providing them with free education.

-Spreading kindness.

-Thank You cards were designed and sent to NHS to express our appreciation for the amazing job NHS staff did.

-Our pupils and staff created and sent condolence cards to families and individuals who lost their loved ones to COVID-19.

Financial review

The results for the year are set out on page 12.

The trustees are satisfied with the financial position of the charity at the year end.

The principal funding sources of NLGS continue to be fee income and donations received which support the key objectives.

Staff salaries form NLGS's largest category of expenditures, but staff are also the school's greatest asset. The trustees' policy is to reward staff appropriately to ensure NLGS recruits and retains quality teaching and support staff for the efficient operation of NLGS and to deliver an exceptional educational experience for our pupils. The trustees also very carefully review and consider staff and other costs in relation to school fee affordability and have endeavoured to keep fee increases consistently as low as possible

It is the policy of the that unrestricted funds which have not been designated for a specific use should be maintained at a level to ensure that the day-to-day working capital requirements of the school are met. The level of reserves is kept under review by the trustees.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Risk Management

The trustees has assessed the major risks to which the is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The board of trustees are responsible for the overseeing of the risks faced by NLGS. Detailed considerations of risk are delegated to the head and SLT in the school. Risks are identified, assessed and controls are established throughout the year. A formal review of NLGS's risk management processes is undertaken on an annual basis. The main risks that the board of trustees have identified and the plans to manage those risks are:

-A risk to the reputation of NLGS brand such that there is a material impact on current and future pupil numbers and the ability of NLGS to attract high quality staff. In order to manage this risk, NLGS ensures that its policies for recruitment, safeguarding and health and safety and wellbeing are at the heart of NLGS. A comprehensive training programme for staff, ongoing monitoring and management of policies and a culture of openness and trust between pupils and staff are also intended to safeguard against this risk.

-A risk NLGS's financial viability such as its ability to generate sufficient cash flow to provide adequate resources to ensure a safe and secure educational environment, to meet loan obligations and to continue investing in NLGS's facilities. This risk is managed by ensuring sound long-term planning with clear and challenging financial targets which not only consider the operation of the school, but also the wider context in which the school operates.

Through the risk management processes established for NLGS, the board of trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Future developments

-Reach out to potential investors, schools, and educational institutions to offer the NLGS University Foundation Programme in the form of a franchise business.

-Extend the current list of universities that recognise our University Foundation Programme.

-Compete the designing and planning stages to convert the Multi-Use Games Area (MUGA) into an indoor space to make sure that pupils will be able to use it throughout different weather conditions.

-Initiate a training or professional development programme to ensure that all teachers, MLT, and SLT are fully prepared to implement a value-based education programme at NLGS.

-Become an accredited centre by OCN for our University Foundation Programme

-Become a member of The Boarding Schools' Association (BSA)

-Establish an Alumni Association, develop strong alumni relations, and ensure effective communication with the wider school community. This was already planned for May 2020, due to the COVID-19 restriction, we had to postpone it.

-Expand the school campus by acquiring the plot of land between the existing campus and Colindeep Lane road.

-Organize national and international Academic Olympiads (Math and Science) making sure that this is in line with the COVID-19 measure.

-Review the new MIS (School Management System) and consider switching to this new system as the current system is far from meeting our school's needs.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

The Charity is governed by its Memorandum and Articles of Association, issued on 15 May 2008 (amended by Resolution on 14 May 2011), and constitutes a Limited company, Limited by guarantee, as defined by the Companies Act 2006.

The principal objects of the company is to achieve the highest academic standards in a secure and happy environment, promote the spiritual, moral, cultural, mental and physical development of pupils at the school and of society, prepare pupils at schools for the opportunities, responsibilities and experiences of later life for the benefit of the public.

Trustees during the year

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Selcuk Basso	(Appointed 30 September 2019)
Mr Mahmut Gunaydin	(Appointed 1 May 2020)
Mr Rustam Aliyev	
Mr A Dursun	(Resigned 30 September 2019)
Mr Z Kocabiyik	(Resigned 1 May 2020)

The management of the company is the responsibility of the board of Trustees who are elected and co-opted under the terms of the Articles of Association.

Trustee's interests

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Appointment and training of new trustees

Nominations for new trustees are made by any member of the Charity or the existing trustees. Trustee candidates are considered by the board of trustees to ensure the board has the breadth of skills to offer effective strategic leadership and guidance to the Charity, in conjunction with the head of school. New trustees are appointed by the board of trustees. Trustees appointed by the board retire at the next annual general meeting (AGM) and can be re-elected by resolution of the members. New trustees can also be elected directly at the AGM. One third of the board who have served the longest in the office since their last appointment retire at the AGM each year to give space to new trustee candidates. Retired trustees may also be re-elected by resolution of the members at the AGM.

New trustees are provided with information about the Charity and appropriate training and induction is arranged. On appointment, trustees are briefed on their responsibilities as directors and trustees. Trustees are also given regular presentations by the head of school and senior leadership team (SLT) on specific curricular developments, and they are invited and encouraged to link up with a department and observe lessons and activities at first hand.

New trustees are also issued with the school and board details including:

- Current trustee details - Skills and experience matrix.
- Current trustee details - Skills and experience matrix.
- Minutes of the recent board meetings.
- The constitution and charitable status.
- The Memorandum and Articles of Association.
- Recent trustees' report and financial accounts.
- The school's prospectus.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees are legally responsible for the overall management of the Charity and meet as a board at least four times a year. All trustees give their time freely and no remuneration or expenses were paid in the year. No trustee or person connected to a trustee received any benefit from either means tested bursaries or scholarships awarded to our pupils.

The day-to-day management of the school (NLGS) is delegated to the head of school supported by the SLT. The head undertakes the key leadership role overseeing the educational, pastoral and administrative functions in conjunction with the SLT. The head and relevant SLT members attend board of trustee meetings as/when required.

The Memorandum and Articles of Association state that charity may not have more than 50 (fifty) members at any one time.

Statement of trustees' responsibilities

The trustees, who are also the directors of Wisdom School for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that be reappointed as auditor of the company will be put at a General Meeting.

WISDOM SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The impact of the coronavirus Pandemic

-As the coronavirus continued to spread exponentially and schools were asked to close, there was an immediate transfer to teaching remotely via Microsoft Teams. The SLT team trained the teachers for online teaching. A new timetable was created for online classes and shared with families with the addition of several clubs and activities. Our pupils did not miss any lessons during the lockdown and on weekdays our teachers made themselves available to answer questions from their pupils till 5.00 pm.

-We kept our school open for the children keyworkers as they came to school for face-to-face lessons.

-We conducted a parent survey to evaluate the effectiveness of our online lessons; the feedback that we received was mostly positive which included constructive criticism as well.

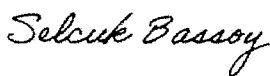
-Risk assessment was carried out and necessary precautions were implemented.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Mr Selcuk Bassoy

Trustee

Dated: 23 June 2021



Mr Rustam Aliyev

Trustee

Dated: 23 June 2021



WISDOM SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WISDOM SCHOOL

Opinion

We have audited the financial statements of Wisdom School (the "School") for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

WISDOM SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF WISDOM SCHOOL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 for the purpose 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 's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

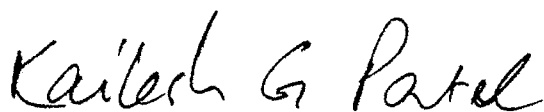
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters - the impact of the Coronavirus pandemic

With the continuation of the coronavirus pandemic it is difficult to evaluate all the potential implications on the charity's activities.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kailesh Patel (Senior Statutory Auditor)
for and on behalf of

25 June 2021

Chartered Accountants
Statutory Auditor

WISDOM SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income from:</u>							
Donations and legacies	3	155,372	-	155,372	9,887	55,984	65,871
Charitable activities	4	2,043,032	-	2,043,032	1,828,733	-	1,828,733
Total income		2,198,404	-	2,198,404	1,838,620	55,984	1,894,604
<u>Expenditure on:</u>							
Charitable activities	5	2,028,342	-	2,028,342	1,757,321	-	1,757,321
Other	10	77,710	-	77,710	79,766	-	79,766
Total resources expended		2,106,052	-	2,106,052	1,837,087	-	1,837,087
Net income for the year/ Net movement in funds		92,352	-	92,352	1,533	55,984	57,517
Fund balances at 1 September 2019		1,533,710	4,895,196	6,428,906	1,607,304	4,764,085	6,371,389
Fund balances at 31 August 2020		1,626,062	4,895,196	6,521,258	1,608,837	4,820,069	6,428,906

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WISDOM SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Intangible assets	11		33,864		-
Tangible assets	12		8,936,160		8,898,191
			<u>8,970,024</u>		<u>8,898,191</u>
Current assets					
Debtors	13	307,566		252,401	
Cash at bank and in hand		108,688		31,170	
			<u>416,254</u>	<u>283,571</u>	
Creditors: amounts falling due within one year	15	(1,118,954)		(925,579)	
Net current liabilities			<u>(702,700)</u>		<u>(642,008)</u>
Total assets less current liabilities			<u>8,267,324</u>		<u>8,256,183</u>
Creditors: amounts falling due after more than one year	16		(1,746,066)		(1,827,277)
Net assets			<u><u>6,521,258</u></u>		<u><u>6,428,906</u></u>
Income funds					
Restricted funds			4,895,196		4,820,069
Unrestricted funds			1,626,062		1,608,837
			<u><u>6,521,258</u></u>		<u><u>6,428,906</u></u>

The financial statements were approved by the Trustees on 23 June 2021

Mr Selcuk Bassoy
Trustee

Selcuk Bassoy

Mr Rustam Aliyev
Trustee

R. Rustam

Company Registration No. 06596179

WISDOM SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	£	2020 £	£	2019 £
Cash flows from operating activities					
Cash generated from operations	19		260,202		175,331
Investing activities					
Purchase of intangible assets		(33,864)		-	
Purchase of tangible fixed assets		(73,693)		(88,319)	
Net cash used in investing activities			(107,557)		(88,319)
Financing activities					
Repayment of bank loans		(75,127)		(106,609)	
Net cash used in financing activities			(75,127)		(106,609)
Net increase/(decrease) in cash and cash equivalents			77,518		(19,597)
Cash and cash equivalents at beginning of year			31,170		50,767
Cash and cash equivalents at end of year			<u>108,688</u>		<u>31,170</u>

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Wisdom School is a private company limited by guarantee incorporated in England and Wales. The registered office is 110 Colindeep Lane, London, Middlesex, NW9 6HB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the 's [governing document], the Companies Act 2006 and "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) (effective 1 January 2019)". The is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the . Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the .

1.4 Income

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	Over expected life of project
-------------------	-------------------------------

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not provided
Fixtures and fittings	15% on reducing balance
Computers	15% on reducing balance
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.9 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and judgements

In the application of the 's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020 £	2019 £	2019 £	2019 £
Donations and gifts	40,483	9,887	55,984	65,871
Government grants	114,889	-	-	-
	<u>155,372</u>	<u>9,887</u>	<u>55,984</u>	<u>65,871</u>

4 Charitable activities

	2020 £	2019 £
Teaching and school services	1,937,829	1,664,394
Other income	105,203	164,339
	<u>2,043,032</u>	<u>1,828,733</u>

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

5 Charitable activities

	School activities 2020 £	School activities 2019 £
Staff costs	1,222,750	921,006
Depreciation and impairment	35,724	35,917
Hire of plant and equipment	4,413	2,848
Other operating leases	75	3,375
Rates and water	39,502	37,833
Insurance	20,870	19,997
Light and heat	53,810	53,385
Telephone	3,825	12,009
Postage and stationery	23,807	13,431
Sundries	3,879	4,224
Books and exam fees	30,719	37,010
Canteen and welfare	43,671	51,639
Advertising	34,751	27,578
Computer and software	11,949	7,917
Fire and security	6,349	5,929
Cleaning	20,770	11,983
Repairs and maintenance	10,162	8,799
School bus	10,848	13,927
Legal and professional	38,303	36,288
Student related	10,865	20,600
Travel and subsistence	1,760	5,030
Uniform	230	386
Recruitment costs	17,124	23,528
Bank charges	64	88
Bad debt provision	15,075	41,834
	<u>1,661,295</u>	<u>1,396,592</u>
Grant funding of activities (see note 6)	356,627	346,029
Share of governance costs (see note 7)	10,420	14,700
	<u>2,028,342</u>	<u>1,757,321</u>

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Grants payable

	School activities 2020 £	School activities 2019 £
Grants to institutions:		
Grants to individuals	356,627	346,029
	<u>356,627</u>	<u>346,029</u>

-

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Audit fees	-	7,200	7,200	-	6,600	6,600
Legal and professional	-	3,220	3,220	-	8,100	8,100
	<u>-</u>	<u>10,420</u>	<u>10,420</u>	<u>-</u>	<u>14,700</u>	<u>14,700</u>
Analysed between						
Charitable activities	-	10,420	10,420	-	14,700	14,700
	<u>-</u>	<u>10,420</u>	<u>10,420</u>	<u>-</u>	<u>14,700</u>	<u>14,700</u>

Governance costs includes payments to the auditors of £7,200 (2019- £6,600) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the during the year.

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Management staff	3	3
Teaching staff	25	25
Total	<u>28</u>	<u>28</u>

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Employees (Continued)

Employment costs

	£	£
Wages and salaries	1,141,744	867,435
Social security costs	81,006	53,571
	<u>1,222,750</u>	<u>921,006</u>

There were no employees whose annual remuneration was £60,000 or more.

10 Other

	Unrestricted funds 2020	Unrestricted funds 2019
Other interest	9,851	3,399
Financing costs	67,859	76,367
	<u>77,710</u>	<u>79,766</u>

11 Intangible fixed assets

	Development costs £
Cost	
At 1 September 2019	-
Additions	33,864
At 31 August 2020	<u>33,864</u>
Amortisation and impairment	
At 1 September 2019 and 31 August 2020	-
Carrying amount	
At 31 August 2020	<u>33,864</u>
At 31 August 2019	<u>-</u>

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	8,699,080	297,998	112,336	28,545	9,137,959
Additions	37,955	34,613	1,125	-	73,693
At 31 August 2020	8,737,035	332,611	113,461	28,545	9,211,652
Depreciation and impairment					
At 1 September 2019	-	146,821	69,373	23,575	239,769
Depreciation charged in the year	-	27,868	6,613	1,242	35,723
At 31 August 2020	-	174,689	75,986	24,817	275,492
Carrying amount					
At 31 August 2020	8,737,035	157,922	37,475	3,728	8,936,160
At 31 August 2019	8,699,080	151,179	42,962	4,970	8,898,191

The trustees believe that the value of the freehold property is in excess of £10.5m. The accounts have not been adjusted to reflect this.

13 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	238,904	206,307
Prepayments and accrued income	68,662	46,094
	<u>307,566</u>	<u>252,401</u>

14 Loans and overdrafts

	2020	2019
	£	£
Bank loans	<u>1,858,757</u>	<u>1,933,884</u>
Payable within one year	112,691	106,607
Payable after one year	<u>1,746,066</u>	<u>1,827,277</u>

The bank loan is secured by a fixed and floating charge over the assets of the company including the freehold property.

The loan was originally taken out at the end of 2012 and has a term of 20 years. Interest is payable at 3% above the banks base rate.

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	14	112,691	106,607
Other taxation and social security		228,273	115,817
Trade creditors		750,971	668,726
Accruals and deferred income		27,019	34,429
		<u>1,118,954</u>	<u>925,579</u>

16 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	14	<u>1,746,066</u>	<u>1,827,277</u>

17 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Unrestricted funds 2020 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:					
Intangible fixed assets	33,864	-	33,864	-	-
Tangible assets	2,182,207	6,753,953	8,936,160	2,144,238	8,898,191
Current assets/ (liabilities)	(590,009)	(112,691)	(702,700)	(535,401)	(642,008)
Long term liabilities	-	(1,746,066)	(1,746,066)	-	(1,827,277)
	<u>1,626,062</u>	<u>4,895,196</u>	<u>6,521,258</u>	<u>4,820,069</u>	<u>6,428,906</u>

The freehold property was purchased using restricted funds advanced for this specific purpose, the associated bank loan has also been regarded as 'restricted' funds.

18 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

WISDOM SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19	Cash generated from operations	2020 £	2019 £	
	Surplus for the year	92,352	57,517	
	Adjustments for:			
	Depreciation and impairment of tangible fixed assets	35,724	35,917	
	Movements in working capital:			
	(Increase)/decrease in debtors	(55,165)	30,268	
	Increase in creditors	187,291	51,629	
	Cash generated from operations	260,202	175,331	
20	Analysis of changes in net (debt)/funds			
		At 1 September 2019 £	Cash flows £	At 31 August 2020 £
	Cash at bank and in hand	31,170	77,518	108,688
	Loans falling due within one year	(106,607)	(6,084)	(112,691)
	Loans falling due after more than one year	(1,827,277)	81,211	(1,746,066)
		(1,902,714)	152,645	(1,750,069)