



THE GOOD SHEPHERD TRUST

Diocese of Guildford

TRANSFORMING **SCHOOLS**
TRANSFORMING **LIVES**

The Good Shepherd Trust

A multi-academy trust in the Church of England
Diocese of Guildford

A charity exempt from registration
A company limited by guarantee, number 8366199

**Annual Report and Financial Statements
for the year ended 31 August 2023**

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THE GOOD SHEPHERD TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
For the year ended 31 August 2023

Principal and Registered Office	Academies Office, Larch Avenue, Guildford, Surrey, GU1 1JY
Company Registration Number	8366199 (England and Wales)
Members	The Guildford Diocese Educational Trust represented by the Diocesan Director of Education The Right Reverend Dr Joanne Bailey Wells (to 31 December 2022) James Thomas Friend (from 17 May 2023) The Very Reverend Dianna Gwilliams (to 17 May 2023) The Reverend Canon Colin Matthews Mr Simon Walker JP (from 5 December 2022)
Trustee Directors	Mr Glenn Carmichael (to 5 May 2023) Mrs Katharine Crouch (to 31 August 2023) Mr James Thomas Friend (from 11 October 2022) Chair (from 17 May 2023) The Very Reverend Dianna Gwilliams - Chair (to 17 May 2023) The Reverend James Hanson (from 11 October 2022) The Reverend Derek Holbird Mrs Mary Lewis (from 11 October 2022) Mr Edmond Dominic McCudden (from 10 October 2023) Mrs Yvonne McLeod Ms Louise Pollock Mr John Simcox (from 11 October 2022) Mr Simon Walker JP (to 21 October 2022) Mrs Claire-Louise West (from 27 September 2023) Mr Stuart Zissman (from 1 September 2023 to 26 November 2023) The Directors are also the Trustees for the purposes of charity law and served from 1 September 2022 to the date of this report except where otherwise stated.
Company Secretary	Mrs Diana Goodhugh (to 31 October 2022) Mrs Felicity Mackrory (from 1 November 2022)
Clerk to the Trustee Directors	Mrs Felicity Mackrory (from 1 September 2022)
Management Team	
Chief Executive and Accounting Officer	Mr Paul Kennedy
Chief Operating Officer	Dr Louisa Mason
Chief Education Officer	Mr Alexander Clark (from 1 September 2023)
Directors of Education	Mr Alexander Clark (to 31 August 2023) Mrs Louise Johnson (to 15 August 2023)
Head of Inclusion, Safeguarding, Wellbeing	Miss Elizabeth Tedbury (from 1 January 2023)
Head of Curriculum and Pedagogy	Mrs Jade Hills (from 1 September 2023)
Head of English	Mrs Suzanne Higgins (from 1 September 2023)
Head of Buildings and Estates	Mr Mark Philpott
Head of HR	Mr David Bird
Head of Finance/Risk	Mrs Diana Goodhugh

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Registered Auditors	Mazars LLP, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey SM1 4FS
Internal Auditor	Moore South LLP City Gates, 2-4 Southgate, Chichester PO19 8DJ
Bankers	Lloyds Bank plc, High Street, Guildford, Surrey GU1 3AD
Solicitors	Anthony Collins, 134 Edmund Street, Birmingham B3 2EP

THE GOOD SHEPHERD TRUST
TRUSTEES' REPORT
For the year ended 31 August 2023

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

With the conversion of Scott-Broadwood Church of England Infant School on 1 October 2022, the October school census showed a pupil capacity of 5,210 and a roll of 4,726, with an additional 130 nursery pupils. Valley End Church of England Infant School converted on 1 March 2023. With the conversion of Bramley Church of England Infant School on 1 September 2023, the Good Shepherd Trust is now comprised of nineteen schools, seventeen in Surrey and two in Hampshire.

1 STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 Constitution

The Trust is a company limited by guarantee and a charity exempt from registration under the Charities Act 2011 by virtue of being regulated as an academy trust by the Secretary of State for Education. It was incorporated on 18 January 2013 and its governing instrument is its memorandum and articles of association.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 2.

1.2 Members' liability

The Members of the Trust under the articles consist of the Guildford Diocese Educational Trust (the "GDET") acting corporately (represented by Mr Alex Tear); two individual members appointed by the Guildford Diocese Board of Education; the Chair of Trustees of the Trust; two additional members appointed under Article 15A of the Articles of Association; and any Members appointed by the Secretary of State for Education (none currently appointed). The liability of each of the Members of the Trust in the event that it is wound up is limited to £10.

1.3 Trustees' indemnities

All trust schools are members of the Risk Protection Arrangement, which scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 for any one loss and any one Membership year.

1.4 Trustees

The Trust is governed by its Board of Directors, which operates with the following committees, whose purposes are described in the Governance Statement on pages 21 to 25:

Education Committee

Mrs Katharine Crouch (Chair) (to 31 August 2023)
The Very Reverend Dianna Gwilliams (ex officio) (to 17 May 2023)
The Reverend Derek Holbird
Mrs Mary Lewis (from 11 October 2022)
Mrs Yvonne McLeod
Ms Louise Pollock (from 13 October 2022)
Mrs Claire-Louise West (Chair) (from 27 September 2023)
Mr James Friend (ex officio) (from 17 May 2023)
Chief Executive Officer
Directors of Education/Chief Education Officer (in attendance)

Resources Committee

Mr Glenn Carmichael (to 5 May 2023)
Mr James Friend (from 13 October 2022), (ex officio from 17 May 2023)
The Very Reverend Dianna Gwilliams (ex officio) (to 17 May 2023)
The Reverend James Hanson (from 11 October 2022) (Chair)
Mrs Yvonne McLeod (to 31 August 2023)
Ms Louise Pollock (to 13 October 2022, and from 1 September 2023)
Mr John Simcox (from 11 October 2022)
Mr Simon Walker JP (to 21 October 2022)
Mrs Claire-Louise West (from 27 September 2023)
Mr Edmond McCudden (from 10 October 2023)
Chief Executive Officer
Chief Operating Officer (in attendance)
Head of Finance/Risk (in attendance)

Risk and Audit Committee

Mr James Friend (from 11 October 2022) (Chair to 17 May 2023, ex officio from 17 May 2023)
The Very Reverend Dianna Gwilliams (to 5 May 2023)
The Reverend Derek Holbird
Mrs Yvonne McLeod
Mr John Simcox (from 11 October 2022, Chair from 17 May 2023)
Mr Simon Walker JP (Chair) (to 21 October 2022)
Mr Stuart Zissman (from 1 September 2023 to 26 November 2023)
Mr Edmond McCudden (from 10 October 2023)
Chief Executive Officer (in attendance)
Chief Operating Officer (in attendance)
Head of Finance/Risk (in attendance)

People, Appointments and Remuneration Committee

Mrs Katharine Crouch (to 31 August 2023)
Mr James Friend (ex officio, from 17 May 2023)
The Very Reverend Dianna Gwilliams (Chair) (to 5 May 2023)
Mrs Yvonne McLeod (Chair, from 1 September 2023)
The Reverend James Hanson (from 11 October 2022)
Mrs Mary Lewis (from 11 October 2022)
Ms Louise Pollock

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TRUSTEES' REPORT (CONTINUED)
For the year ended 31 August 2023

Mr Simon Walker JP (to 21 October 2022)
 Mr Stuart Zissman (from 1 September 2023 to 26 November 2023)
 Chief Executive Officer (in attendance)
 Chief Operating Officer (in attendance)

1.5 Local Committees

The local committee (LC) of each academy school within the Trust is constituted as a sub-committee of the Trust Board. The chair of each LC is appointed by the Trustees, as are the other members of the LC. During the year the following LCs were in existence:

Academy	Date converted	LC Chair
The Holme C of E Primary School, Headley	1 September 2013	Mrs Alex Kemp
St John's C of E Primary School, Dorking	1 November 2013	Mrs Susan Naing
St Mary's C of E Primary School, Chiddingfold	1 November 2013	Mr Brett Freeman
St Paul's C of E Primary School, Addlestone	1 April 2014	Mr Andrew Harrow
Ashley C of E Primary, Walton on Thames	1 September 2014	Vacancy
Queen Eleanor's C of E Junior School, Guildford	1 October 2014	Mrs Claire Stennett
The Weald C of E Primary School, Beare Green	1 September 2015	Mr Andrew Poulton
Christ's College, Guildford	1 December 2015	Vacancy
Waverley Abbey C of E Junior School, Tilford	1 December 2016	Mrs Sandy Clarke
St Andrew's C of E Infant School, Farnham	1 March 2017	Mrs Larry Peppin
Farnborough Grange Nursery/Infant School	1 September 2017	Mrs Larry Peppin
Potters Gate C of E Primary School, Farnham	1 December 2017	Mrs Larry Peppin
Surrey Hills All Saints Primary School, Dorking	1 December 2018	Mrs Debbie Aston
Ottershaw Infants and Junior Schools, Ottershaw	1 March 2019	Mr Mick Webb
St Mark and All Saints Primary School, Godalming	1 April 2019	Vacancy
Scott-Broadwood CofE Infant School, Capel	1 October 2022	Mr Andrew Poulton
Valley End CofE Infant School, Chobham	1 March 2023	Mr Luis Felippe Manzatucci

1.6 Trustee recruitment

Trustees are appointed by the Members, having regard to the need for the range of appropriate skills and experience on the board, as well as to their commitment to maintain the distinctively Christian ethos in our schools and across the Trust as a whole. Trustees are given induction and training, both as individuals and as a whole board, as needs are identified.

The Trust ensures that all new Trustees receive an induction from the Chair of the Board and/or the Chief Executive Officer. An annual self-assessment is conducted, which includes training elements. Individual Trustees have attended training events, including from the Confederation of Schools Trusts. The Trust Clerk provides news and information to support Trustees in carrying out their duties on the Trust's GovernorHub portal. Link Trustees have been designated for the year (eg. safeguarding, health and safety, education), and they work closely with a member of the Senior Leadership Team.

In addition, under the Articles of Association, the Trustee Directors appointed by the Members "may appoint Co-opted Directors" and "any Director may be re-appointed". All appointments and re-appointments of Co-opted Directors under the Articles of Association are for a four-year term of office.

In addition to regular business meetings during the year, the Trustees also attended a residential meeting focussing on review of the previous year and the setting and delivering of strategic objectives for the coming years.

1.7 Other organisations with which the Trust co-operates in achieving its objectives

The Diocese of Guildford Board of Education updated their strategy for academisation of church schools in the diocese. Their 2022 diocese strategy document stated the following key strategic priority:

“To actively support and promote the growth of Church MATs across the Diocese to provide Church schools with the opportunity to join and experience the benefits of working collaboratively within a MAT.”

The Good Shepherd Trust, as the largest Multi-Academy Trust within Guildford Diocese, is therefore at the centre of this diocesan mission. As a member of the Guildford Diocesan Schools Partnership, we aim to support the diocese in ensuring that there is enough capacity within the academy sector for every Church of England school in the Diocese of Guildford to join a diocesan multi-academy trust.

The Diocesan Board of Education, as part of the strategy to implement the diocese’s mission through and in church schools, has incorporated its committee dealing with church academies as The Guildford Diocese Educational Trust (GDET). This trust operates principally by agreeing the diocesan policy for church academies and by appointing Members of single academy trusts and multi-academy trusts.

The Trust’s staff for its central services are directly employed by the Trust itself. The costs of services provided by the Diocese of Guildford are invoiced on a non-profit basis to the Trust by Guildford Diocesan Services Limited, the wholly owned trading subsidiary of the Guildford Diocesan Board of Finance.

1.8 Engagement with employees (including disabled persons)

The Trust engages with its employees through various means and methods, including:

- Consulting with employees on key matters
- Regular staff surveys in relation to wellness and the workings of Trust schools
- Regular updates to all staff via newsletters, covering both financial and non-financial performance
- Communication of staff benefits available
- Ongoing, collaborative professional learning activities
- Joint inset days, where practical
- Regular visits to schools by all members of the executive team

The Trust welcomes applications for employment from disabled persons; the treatment of employees who become disabled, and the training, career development and promotion of disabled persons are important to us as a diocesan trust. Our recruitment packages include a clear statement of intent with regard to matters of equality.

1.9 Delegation of day-to-day delivery

During the period to 31 August 2023 the Trustees delegated day-to-day responsibility for managing the conversion of schools to academy status under the auspices of the Trust to the Chief Executive. The Trust delegated day-to-day management of each academy school to its headteacher and local committee in accordance with its scheme of delegation.

The Regional Directors of Education worked with headteachers in driving school improvement, efficiency and effectiveness.

The Chief Operating Officer (COO) is responsible for operations. The Head of Finance and Risk is engaged to administer the Trust's financial affairs, with Trust Business Managers and Finance Officers supporting school Senior Leadership Teams. In addition, the Heads respectively of HR and Buildings and Estates support the COO in the delivery of Trust objectives. Additional staff are engaged on a project basis to ensure that activities are appropriately serviced.

1.10 Arrangements for setting pay and remuneration of key management personnel

The remuneration of the Trust's key management personnel is set and kept under review by the People Appointments and Remuneration Committee, advised by the Chief Executive Officer (whose remuneration is set and kept under review by the Board). Remuneration of key management personnel is set at the point of recruitment in line with the Trust's pay policy and after review of appropriate benchmarks, and is then subject to review as part of the annual performance review cycle.

1.11 Trade Union facility time

Number of employees who were relevant union officials during the year to 31 Mar 2023	Full-time equivalent employee number
2	1.75
Percentage of time spent on facility time	Number of employees
0%	0
1%-50%	2
51%-99%	0
100%	0
Percentage of paybill spent on facility time	
Total cost of facility time	£0.007m
Total pay bill	£24.2m
Percentage of pay bill spent on facility time	0.03%
Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	50.0%

2 OBJECTIVES AND ACTIVITIES

The Trust's object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which offer a broad and balanced curriculum and which shall include:

- (i) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant funding agreement), and having regard to any advice issued by the Diocesan Board of Education; and
- (ii) other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual character and respect the different background of each and its links to the local community which it serves.

The Trust pursues this object by developing the capacity and capability to accept converting schools into the Trust, to project-manage the conversion process in schools that are obliged to convert or apply to become academies under the auspices of the Trust, and to operate and improve the performance of those academy schools which have converted, all the while maintaining and developing the Christian ethos of the schools as part of the Church's engagement with local communities.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

Trustees are committed to protecting against the long term depletion of natural resources and lasting damage to species, habitats and climate. The Trust actively works to improve energy efficiency and has this year invested in a programme to replace aged and inefficient lighting at all its schools, which will reduce energy consumption, and hence costs. The Trust aims to ensure that high standards are promoted through suppliers, partners and customers.

The Trust contributes to improving peoples' life chances, especially those of young people, through the education it provides.

The Trust is committed to prioritising decarbonisation. It does this by engendering sustainable practice in culture, communication and resource allocation. This is best demonstrated by the Trust Carbon Charter.

At the date of this report there are nineteen schools in the Trust - nine primary schools, three junior schools, six infant schools and one secondary school.

3 STRATEGIC REPORT

3.1 Our vision and values as a Diocese multi-academy

Our Vision is: "To be better, together."

We commit to:

- Having an ambitious culture which enables self-confidence and aspiration in everyone in our family, child or adult
- Having a highly connected, growing and flourishing GST community where everyone is known, diversity is valued and highly effective, responsive services are shared
- Serving our community by developing an enriching and exciting social, emotional, spiritual and cultural educational provision; driving high quality learning for all
- Continually exploring, in the context of our Trust schools, the outworking of Jesus' words: *'I came that they may have life and have it to the full.'* John 10 v 10

Values of the Good Shepherd Trust

Jesus the Good Shepherd embodies values which guide our work and relationships. These are exemplified especially in Psalm 23 and John 10 in the Bible. They include:

- Trust • Love • Courage • Respect • Integrity

Our school communities have also developed their own statements of values, all of which harmonise with those of the Trust. We strive to be a trust that lives out these values in such a way that other schools, be they 'C of E' or 'community', are attracted and find in us an effective home.

3.2 Priorities

Our five key priorities for 2022-2023 continued to be to:

- develop our Christian character to live out and achieve our vision and mission
- ensure continuous improvement to enable our children to flourish and have life in all its fullness
- ensure effective and appropriate communication with all stakeholders to support our trust unity
- develop strong and inspirational governance to support leadership and learning
- ensure services, through finance and other functions, support and facilitate learning

During the financial year the key priorities for the Board and the executive team have been to:

- Continue to significantly improve pupil achievement and progress across our schools with a focus on enhancing the quality of education for all learners
- Deploy project-based staff to service the needs of individual schools and within the Trust central team;
- Grow networks to secure high quality school improvement support for schools through school-to-school support, both in hubs and across the whole Trust;

- Develop and strengthen the Trust's governance and build additional resilience. This includes a greater focus on the professional development of all our staff, and on succession planning. Where vacancies arise, ensuring they are filled by high quality appointments based on a needs and skills assessment;
- Develop our partnerships to provide access to networks against which the Trust can benchmark and improve its own performance and secure more effective school-to-school support to the weaker schools in the Trust and support the school-led school improvement system;
- Empower local committees by equipping them with a clear schedule of delegation

3.3 Risk assessment

The major risk faced by the Trust continues to be in its capacity to govern and improve the educational provision in its schools, in line with the Secretary of State's expectations.

The Trustees' key strategic objective remains to ensure that growth of the Trust is both sustainable and financially viable, and that it secures improving educational standards and an effective and efficient provision of central services at all Trust schools.

Achievement of our strategic objectives entails taking risks in a carefully considered manner and having in place strong systems and good governance to mitigate risks. The Trustees are satisfied that appropriate internal control systems and risk management processes are in place. Given the Trust's current scale, the Trustees have put in place a separate committee of the Board to focus on risk management, internal and external audit issues.

Principal risks and uncertainties

The Board of Trustees has reviewed the major risks to which the Trust is exposed, together with the operating, financial and compliance controls which have been implemented to mitigate those risks. The principal risks and uncertainties facing the Trust as are follows:

Environmental - following the national trend, this region has experienced year-on-year falls in the birth rate, meaning that the number of births in 2019 was 14% lower than the peak numbers seen in 2012. Furthermore, the decrease in births between 2018 and 2019 was the largest seen since the nationwide decline in 2013.

Financial – the Trust places considerable reliance on continued Government funding through the ESFA. In the last year, 95% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Inflationary pressures – the last year has seen large inflationary pressures which has affected salaries, pensions, energy, building improvements and other costs. The Trustees carefully manage the Trust's costs to mitigate the impacts of inflation. The Government also provided further funding for schools which mitigates some of these pressures.

Governance and/or management - the risks in this area arise from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations, legislation,

statutory returns etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational – the continuing success of the Trust is dependant on maintaining the highest educational standards, which will continue to attract pupils to Trust schools. To mitigate this risk, Trustees ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection – the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety, and discipline.

Staffing – the success of the Trust is reliant upon the quality of its staff, and the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring clear succession planning.

Fraud and mismanagement of funds – the Trust has appointed an internal auditor to carry out checks on financial systems and records, as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills.

Estates maintenance and health and safety - the Trust's Head of Estates works across our schools, supporting each Senior Leadership Team to maintain a safe environment for staff, pupils and visitors to the school. All schools were surveyed during the year to identify use of Reinforced Autoclave Aerated Concrete. No Trust school has been identified with this material in its estate to date.

The Trust has continued to strengthen its risk management process throughout the year by ongoing review and ensuring staff awareness. A risk register is maintained, and reviewed and updated on a termly basis.

The Trust's Risk Register specifies actions the Trust can take to mitigate risks identified. The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere.

Where significant financial risk still remains, the Trust ensures there is adequate insurance in place.

The Trustees examine the Trust's financial health formally every term. Performance is reviewed against budgets and overall expenditure, by means of regular update reports at all Board and Resources Committee meetings.

The Trustees consider that the following framework provides the Trust with adequate measures to manage and mitigate the impact of identified risks:

- The Risk and Audit Committee reviews risk and internal controls, approves the annual audit plan, and is overseeing a programme to enhance Trust-wide internal audit procedures to secure more internal audit coverage, quicker implementation of the

auditors' recommendations and to underpin a still greater focus on risk management systems within each of our schools.

- The Education Committee reviews the progress and performance of each school with judgements made based on clear evidence.
- The Trust's senior leadership team reviews key strategic and operational risks on a regular basis. They consider progress on mitigating actions, new and emerging risks and opportunities.
- The Trust's Head of Estates works across our schools, supporting each Senior Leadership Team to maintain a safe environment for staff, pupils and visitors to each school.
- The Trustees, through full board meetings and at each of its committees review risks relating to any school in the process of conversion, and the risks relating to the capacity, capability and performance at each of its existing schools.
- Planning for reduction in demand and consequential adjustments to staffing requirements to ensure that the Trust remains financially viable.

4 ACHIEVEMENTS AND PERFORMANCE

The Trust continues to focus its education activity on maintaining and improving educational outcomes and the performance of all nineteen schools within GST. Over the last twelve months the Trust has concentrated on raising pupil outcomes and improving their overall quality of education provision while continuing to develop the Christian ethos and distinctiveness of each of our schools, and the provision of education to our most vulnerable pupils.

Scott Broadwood CofE Infant School joined the Trust on 1 October 2022.

Valley End CofE Infant School joined the Trust on 1 March 2023.

The Trust has developed its own framework for quality assurance for each of its schools using several strategies including:

- termly school improvement visits to all schools by one of the Directors for Education, which focus on validation of self-evaluation, observations of teaching, and scrutiny of pupil outcomes;
- headteacher performance management, with formal meetings at least twice per year;
- brokered themed reviews as appropriate.

The Trust has continued to develop its approach to improving educational performance and improving outcomes for all pupils. Particular strengths include:

- The positive impact of leadership arrangements which enable schools to benefit from experienced leaders and develop stronger collaborative practice
- Partnership arrangements between schools that demonstrate high-quality provision to schools in more challenging circumstances
- Improved professional development for leaders at all levels
- Stronger and more consistent teaching
- A more robust school and Trust self-evaluation process led by the Regional Directors of Education.

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TRUSTEES' REPORT (CONTINUED)
For the year ended 31 August 2023

- Trustees each have particular focus on one of the four Hubs so as to enable the Board to have as full a view as possible. The Regional Directors of Education developed a 'School on a Page' living document – which is available to all Trustees via Sharepoint.

KS2 Provisional Outcomes

School	Achieving expected standard in reading, writing and maths NA 59%	Maths Average Scaled Score (GST Av 105.3)	Achieving expected standard in maths NA 71%	Reading Average Scaled Score (GST Av 106.6)	Achieving expected standard in reading NA 74%	Achieving expected standard in writing NA 69%
Ashley	71.10%	107.62	88.90%	107.48	86.70%	72.20%
Holme	57.10%	103.21	71.40%	105.61	78.60%	78.60%
Ottershaw Christ Church	66.70%	104.84	80.70%	106.88	81.00%	74.10%
Potters Gate	71.40%	106.94	79.70%	107.57	84.40%	77.80%
Queen Eleanor's	71.10%	105.9	85.60%	106.72	84.40%	78.90%
St John's	46.70%	103.96	66.70%	104.12	70.00%	63.30%
St Mark and All Saints	31.30%	102.2	56.30%	103.93	68.80%	75%
St Mary's	88.00%	106.67	88.90%	106.3	88.90%	96%
St Paul's	63.20%	104.48	71.90%	106.04	75.40%	71.90%
Surrey Hills All Saints	66.70%	105.98	85.70%	107.31	83.30%	73.80%
Waverley Abbey	70.60%	104.54	80.00%	106.97	85.80%	80.70%
Weald	49.00%	102.27	70.60%	105.1	78.40%	60.80%

NA=National Average

Christ's College, Guildford - KS4 Outcomes

Progress 8 score	-0.47
Attainment 8	38.2
5 strong passes inc. Eng and Maths	29%
Entering EBacc	81%
Achieving EBacc at grade 4 or above	13%

Ofsted Inspection Outcomes

Seven schools were inspected by Ofsted during the academic year 2022-23:

The Weald CofE Primary School	September 2022	GOOD
Farnborough Grange Nursery and Infant School	September 2022	INADEQUATE
Christ's College, Guildford	October 2022	GOOD
Queen Eleanor's CofE Junior School	January 2023	Remains GOOD
Surrey Hills and All Saints CofE Primary School	March 2023	REQUIRES IMPROVEMENT
Ottershaw Christ Church CofE Infant School	June 2023	Remains GOOD
Ottershaw Christ Church CofE Junior School	July 2023	Remains GOOD

Statutory Inspections of Anglican and Methodist Schools (SIAMS) Outcomes

Christ's College, Guildford	November 2022	Excellent
Valley End Church of England Infant School	May 2023	Excellent
St Paul's Church of England Primary School	July 2023	Excellent

Group context

The following numbers of children were admitted in September 2022:

The Holme	Reception	30	(PAN 30)		
St John's	Reception	30	(PAN 30)		
St Mary's	Reception	29	(PAN 30)		
St Paul's	Reception	43	(PAN 60)		
Ashley	Reception	87	(PAN 90)		
Queen Eleanor's	Year 3	73	(PAN 90)		
The Weald	Reception	0	(PAN 30)	Year 3	30 (PAN 34)
Christ's College	Year 7	120	(PAN 156)		
Waverley Abbey	Year 3	113	(PAN 120)		
St Andrew's	Reception	30	(PAN 30)		
Farnborough Grange	Reception	53	(PAN 60)		
Potters Gate	Reception	58	(PAN 60)	Year 3	30 (PAN 30)
Surrey Hills All Saints	Reception	12	(PAN 30)		
Surrey Hills All Saints	Year 3	6	(PAN 15)		
Ottershaw Infants	Reception	59	(PAN 60)		
Ottershaw Junior	Year 3	62	(PAN 60)		
St Mark and All Saints	Reception	14	(PAN 30)		

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Group context – July 2023

Measure	GST	Ashley	Christ's College	Farnborough Grange	Ottershaw Christ Church Infant	Ottershaw Christ Church Junior	Potters Gate	Queen Eleanor's	Scott-Broadwood	St Andrew's	St John's	St Mark and All Saints	St Mary's	St Paul's	Surrey Hills All Saints	The Holme	The Weald	Valley End Infants	Waverley Abbey
Total Number of Students on Roll inc nursery	5087 (5074 May)	586	669	225	209	231	544	347	62	86	227	165	224	415	151	187	130	152	477
Nursery				71	29						20	29							
Male Students	52.4%	52.9%	51.4%	49.5%	50.7%	50.2%	54.9%	55.3%	47.5%	45.2%	52.1%	55.6%	55.5%	51.8%	54.7%	54.1%	43.1%	60.5%	52.2%
Female Students	47.6%	47.1%	48.6%	50.5%	49.3%	49.8%	45.1%	44.7%	52.5%	54.8%	47.9%	44.4%	44.5%	48.3%	45.3%	45.9%	56.9%	39.5%	47.8%
Special Educational Needs	17.1%	9.2%	21.4%	12.5%	10.0%	20.3%	11.4%	12.9%	11.5%	6.0%	24.4%	21.5%	9.5%	33.3%	13.8%	18.8%	24.6%	5.9%	13.8%
English as an Additional Language (EAL)	13.3%	12.5%	17.3%	49.0%	4.3%	8.8%	5.0%	20.9%	18.0%	8.3%	9.2%	18.5%	4.1%	11.8%	11.9%	4.4%	3.8%	6.6%	8.2%
Pupil Premium (PP)	17.3%	5.8%	21.8%	21.6%	9.0%	20.7%	11.9%	12.4%	24.6%	2.4%	29.0%	37.8%	8.6%	32.8%	17.0%	26.0%	13.8%	9.2%	7.8%
Free School Meals (FSM)	16.0%	5.5%	18.8%	19.7%	8.5%	19.4%	10.6%	10.9%	23.0%	1.2%	27.2%	37.8%	8.2%	31.3%	14.5%	24.9%	13.1%	7.9%	6.3%
Ever 6 FSM	16.5%	5.5%	21.4%	19.7%	8.5%	20.7%	11.0%	11.8%	23.0%	1.2%	28.6%	37.8%	8.2%	31.5%	15.7%	24.9%	13.1%	7.9%	6.7%
KS2 Achieving expected standard in Reading, Writing & Maths	63.7%	65.1%				69.8%	69.9%	72.2%			60%	23.8%	65.5%	43.3%	58.6%	55.2%	56.7%		71.4%
Maths Average Scaled Score	105.6	107.2				104.4	106.8	106.6			102.6	97.5	104.8	102.1	104.2	102.2	101.8		106.5
Maths Achieving expected standard	75.2%	83.7%				81.1%	81.7%	81.1%			76.7%	38.1%	69.0%	60.0%	69.0%	58.6%	60.0%		81.5%
Reading Average scaled score	106.0	106.5				107.1	107.2	108.7			105.3	98.5	105.5	101.2	102.2	104.5	106.6		107.3
Reading Achieving expected standard	79.5%	87.2%				83.0%	84.9%	86.7%			76.7%	42.9%	79.3%	55.0%	72.4%	75.9%	80.0%		84.9%
Writing Achieving expected standard	74.7%	67.0%				70.4%	78.5%	77.8%			73.3%	57.1%	82.8%	60.0%	75.9%	72.4%	66.7%		88.2%

5 FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue operating for the foreseeable future. For this reason, they continue 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

Financial Performance

The year 1 September 2022 to 31 August 2023 was the tenth full year of operation for the Trust. These financial statements cover the operation of the eighteen academies open during the year.

During the year ended 31 August 2023, the Trust received total income of £32,070,000 and incurred total expenditure of £34,336,000 giving an excess of expenditure over income of £2,266,000.

Local Government Pension Scheme

The Trust's Local Government Pension Scheme liabilities represent the value of the benefits earned by LGPS members in the fund as at the accounting date, and is calculated by projecting the future expected cashflows out of the fund, allowing for expected future increases in pay and pension, and the life expectancy of its members.

The LGPS liability has decreased to (£2,224,000) (2022: (£4,779,000)), driven by movements in the discount rate, general inflation, and increases in the salary and pension rates. While the deficit will not be eliminated in the near future, in line with standard practice, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Trust.

Assets transferred on conversion

Scott-Broadwood Church of England Infant School converted to an academy on 1 October 2023.

Valley End Church of England Infant School converted to an academy on 1 March 2023.

Capital grants from the ESFA

These reserves represent the unexpended portions of devolved formula capital and school condition allocation grants awarded to the Trust and its schools.

Unspent capital at 31 August 2023 amounted to £1,415,000 (2022: £2,560,000). £654,000 has been allocated to projects which are scheduled to be commenced within the next year.

Our Trustees continue to develop budgeting and monitoring procedures across the Trust, so that all schools spend within their means or, where it is necessary to make strategic investment in resources (eg. to secure rapid improvement in education), this is undertaken in a carefully planned and managed way.

THE GOOD SHEPHERD TRUST
TRUSTEES' REPORT (CONTINUED)
For the year ended 31 August 2023

The Trustees are grateful for the key work of headteachers, school business managers, local committees and the Trust's central staff for making the changes necessary to achieve their budgeted outcomes despite the fact that many of their costs are increasing at a more rapid rate than the limited growth in Government revenue grant income.

The Trust received capital grants to support capital improvements at its academies amounting to £1,097,000. These consisted of:

- ESFA School Condition Allocations for allocation by the Trustees to suitable building projects
- Devolved Formula Capital funding

The majority of school buildings are provided for the Trust's use by local Church trustees for as long as the related schools remain open with a Church of England ethos. In accordance with guidance and practice these have not been valued in the Trust's financial statements.

Balance sheet position and going concern

The balance sheet on page 35 shows that the Trust's net assets at 31 August 2023 were valued at £7,406,000 (2022: £6,353,000). This figure includes the Trust's consolidated pension scheme liability of (£2,224,000) (2022: (£4,779,000)).

Net current assets totalled £2,672,000 (2022: £4,030,000), and the Trustees are content that this represents a sufficiently secure and liquid financial position. The cash flow forecast models expected increases in Government grants as well as all other operational income and expenditure covering the going concern period, which together with robust budgetary and financial control, assures that the Trust is a going concern.

Reserves policy

Our Trustees aim to keep uncommitted, unrestricted revenue reserves in the region of 3% to 5% of revenue income (£925,000-£1,541,000) in order to mitigate future financial risk. Trustees note that although current levels of free reserves at £2,295,000 slightly exceed the level indicated by the policy, they are necessary to support the education of our students, enabling the Trust to provide additional resources when needs are identified.

As at 31 August 2023 the level of uncommitted restricted and unrestricted revenue reserves were as follows:

	2023	2022
Unrestricted	£1,860,000	£2,044,000
Restricted	<u>£369,000</u>	<u>£462,000</u>
Totals	<u>£2,229,000</u>	<u>£2,506,000</u>

Investment policy

The Trust's governance document allows Trustees to invest or deposit any funds not immediately required for the furtherance of its objectives. The Trustees currently keep all funds immediately available, and this is reviewed on a regular basis.

6 PLANS FOR THE FUTURE

- 6.1 The Trust's strategic priorities for 2022-25, including 2022-23 academic year are summarised as follows:
- All GST schools are strong, improving and developing in their context
 - To grow strategically and sustainably
 - Maintain our financial base to be sustainable and to support all of our schools
 - To deploy high-quality central services that are valued by our schools
 - Attract, develop and retain the best people
- 6.2 To work closely with all our schools to provide services, support and challenge to improve pupils' attainment and progress, closing the attainment gap between disadvantaged children and their more advantaged peers, and allowing more able children to realise their full potential. This was impacted by the lockdowns of previous years where students did not physically attend school. School leaders have analysed the impact of this for individual students and are targeting resources to close any gaps in learning that have occurred.
- 6.3 Continuing to monitor the performance of each school rigorously through: Director of Education support and challenge, regular monitoring, careful scrutiny of any external inspection reports (such as Ofsted inspections or the Statutory Inspection of Anglican and Methodist Schools (SIAMS)) and scrutiny of national and local data which is now available.
- 6.4 Our longer-term strategy remains for the Trust to ensure high performance of our schools, improved financial resilience and to create a greater capacity for future growth. As schools improve the Trust is committed to increasing the challenge so that continuous improvement becomes our culture and schools aspire to the highest standards possible in their context.
- 6.5 The current environment remains challenging for the recruitment and retention of staff. The Trust is committed to do all it can to ensure that it has the best people working in every role, whether centrally or school-based. This applies equally to the governance roles, including local committees.
- 6.6 To enable Trust growth, particularly supporting the Diocese of Guildford in its strategic aim to grow academy capacity in the diocese.

7 FUNDRAISING

The Trust greatly appreciates the many parents and friends of its schools who give generously of their time on local fundraising activities as we return to a normal school environment, which supports enrichment activities which cannot be met through government funding.

The Trust has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the Trust is not registered with the fundraising regulator and received no fundraising complaints in the year.

8 STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Trustees are aware:

- a) there is no relevant audit information of which the charitable company's auditors are unaware, and
- b) they have taken all the steps that they ought to have taken as directors and trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of this information.

Funds held as Custodian Trustee

Neither the Trust nor its Trustees have acted as a custodian trustee during the year.

9 APPOINTMENT OF AUDITORS

Mazars LLP were reappointed as auditors to the Trust this year, following a competitive tendering process in March 2021.



James Friend
Chair of Trustees

Date: Dec 19, 2023

THE GOOD SHEPHERD TRUST
GOVERNANCE STATEMENT
For the year ended 31 August 2023

Scope of Responsibility

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

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

The Board carried out an annual skills self-evaluation and identified the need to appoint new Trustee Directors who have been appointed since October 2022. These additional appointments with complementary skillsets add to the breadth of experience of Trustees and another self-evaluation review will be conducted during the coming year.

The Board has delegated day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Good Shepherd Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board met formally seven times during the year, including a residential meeting with a particular focus on strategic planning. Attendance during the period at meetings of the Board was as follows:

	Meetings attended	Out of a possible
Mr Glenn Carmichael	5	5
Mrs Katharine Crouch	4	7
Mr James Friend (Board Chair) from 17 May 2023	7	7
The Very Reverend Dianna Gwilliams (Board Chair) to 17 May 2023	6	6
Reverend James Hanson	6	7
Mr Derek Holbird	6	7
Mrs Mary Lewis	6	7
Mrs Yvonne McLeod	7	7
Ms Louise Pollock	6	7
Mr John Simcox	7	7
Mr Simon Walker JP (to 21 October 2022)	1	1

The **Resources Committee** is a committee of the Board. Its purpose is to review and advise the Board on the financial performance of the Trust and the safeguarding and use of its assets. It formally met six times during the period. Attendance at those meetings was as follows:

THE GOOD SHEPHERD TRUST
GOVERNANCE STATEMENT
For the year ended 31 August 2023 (continued)

	Meetings attended	Out of a possible
Mr Glenn Carmichael	3	3
Mr James Friend	4	5
The Very Reverend Dianna Gwilliams	4	5
Reverend James Hanson (Chair)	5	5
Mrs Yvonne McLeod	6	6
Ms Louise Pollock	1	1
Mr John Simcox	5	5
Mr Simon Walker JP (to 21 October 2022)	1	1

The **Education Committee** is a committee of the Board. Its purpose is to review and advise the Board on the of each academy school. It has formally met four times during the period. Attendance at those meetings was as follows:

	Meetings attended	Out of a possible
Mrs Katharine Crouch (Chair)	6	6
Mr James Friend	0	0
The Very Reverend Dianna Gwilliams	4	5
Mr Derek Holbird	4	6
Mrs Mary Lewis	5	5
Mrs Yvonne McLeod	6	6
Ms Louise Pollock	5	5

The **Risk and Audit Committee** is a committee of the Board. Its purpose is to review and advise the Board on risk management, controls and governance of each academy school. It has formally met five times during the period. Attendance at those meetings was as follows:

	Meetings attended	Out of a possible
Mr James Friend (Chair from 22 October 2022 to 17 May 2023), in attendance from 17 May 2023	5	6
The Very Reverend Dianna Gwilliams (in attendance)	5	6
Mr Derek Holbird	1	1
Mrs Yvonne McLeod	6	6
Mr John Simcox (Chair from 17 May 2023)	5	6
Mr Simon Walker JP (Committee Chair) (to 21 October 2022)	1	1

The **People Appointments and Remuneration Committee** is a committee of the Board. Its purpose is to review appointments and remuneration of headteachers and the Trust central executive team. It met three times during the period. Attendance at the meeting was as follows:

	Meetings attended	Out of a possible
Mrs Katharine Crouch	0	2
The Very Reverend Dianna Gwilliams (Chair)	2	2
Reverend James Hanson	1	2
Mrs Mary Lewis	2	2
Ms Louise Pollock	2	2

THE GOOD SHEPHERD TRUST
GOVERNANCE STATEMENT
For the year ended 31 August 2023 (continued)

The **Local Committees** of Trust schools are sub-committees of the Board. They are responsible for the regular review of the operating performance of the relevant academy school(s) and making recommendations to the Board, as appropriate. The Articles of Association have recently been approved. A revised Scheme of Delegation was introduced at the same time. These make clear the Local Committee's safeguarding, curriculum and community links responsibilities.

Every Trust school is in and of its community, and each local committee is responsible for engagement with stakeholders, ensuring accountability, overseeing compliance and ensuring risks to the school are managed. The local committee oversees governance compliance, education progress and attainment including for vulnerable groups, safeguarding and staffing, including participating in headteacher appointment, financial overview, particularly of Pupil Premium and Sports Premium, managing the admissions process and school administrative operations including data protection compliance.

Review of Value for Money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate.

During the year, we continued to share lead practitioners across the Trust to drive forward educational standards for all pupils. We have made significant progress in sharing educational resources across all our schools through networking, curriculum sharing and professional development.

Maintenance of estates

The Trust actively manages the maintenance of its school premises, ensuring that it has a planned programme of works which maintains a safe environment for all staff, pupils and visitors to Trust schools. As with other sectors, education has experienced significant inflation in the cost of delivering building projects.

The Trust manages its estates through careful management of contract specifications, ensuring that all projects are well designed and built, with energy efficiency included, and deliver long term value for money. Resources are allocated on a priority basis, dependent on recent conditions surveys.

Controls over costs are achieved by having a central SLA in place for statutory maintenance. The Trust also makes use of Government frameworks – for example, LED lighting project, which assures value for money.

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. The system of internal control is based on ongoing processes designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage and mitigate them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

The 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:

- Budgeting and monitoring systems with an annual budget which is agreed by the Board and monitored by financial reports which are reviewed by the Resources Committee and reported to the Board.
- Regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Health and Safety audits were carried out by Surrey Strategic Risk Management for all Trust schools during the year.
- Setting targets to measure financial and other performance and reporting to the Resources Committee.
- Clearly defined purchasing guidelines.
- Delegation of authority and segregation of duties
- Identification and management of risks which are considered by both the Education and Resources Committees, as well as by the Board.

Moore South were retained to review the general control framework at Trust schools during the year. Audit priorities were provided by the Resources Committee, the Risk and Audit Committee, the Head of Finance and Risk, and the Chief Executive. The review entailed a systems and controls review, including income, expenditure, payroll processes, treasury management and cash controls, and month end management reporting. Moore South delivered their schedule of works during the year. The resulting report was received by the Risk and Audit Committee, and findings were shared with headteachers, business managers and local committees.

THE GOOD SHEPHERD TRUST
GOVERNANCE STATEMENT
For the year ended 31 August 2023 (continued)

Ofsted performed an evaluation of the Trust, reviewing and reporting on the impact in Trust academies in relation to:

- governance and delegation
- leadership and management
- curriculum and quality of education
- behaviour and attitudes
- safeguarding

The Trust continued its rolling programme of buildings maintenance and improvement, informed by the conditions surveys conducted in 2021, to ensure a safe working environment for all staff and pupils. Energy efficient lighting was installed at most schools, to improve lighting levels and reduce energy consumption.

All schools were subject to an annual safeguarding review.

Review of Effectiveness

As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the systems of internal control. During the period in question the review has been informed by:

- The work of the internal auditor, Moore South LLP.
- The financial management and governance self-assessment process or the school resource management self-assessment tool.
- The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal controls framework.
- The work of the external auditor.
- Ofsted evaluation of the Trust.
- Correspondence from the ESFA.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Risk and Audit Committee and a plan to ensure continuous improvement of the system is in place.

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



James Friend
Chair of Trustees

Date: Dec 19, 2023



Paul Kennedy
Accounting Officer

Date: Dec 19, 2023

THE GOOD SHEPHERD TRUST
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE
For the year ended 31 August 2023

As Accounting Officer of The Good Shepherd Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



Paul Kennedy
Chief Executive and Accounting Officer

Date: Dec 19, 2023

THE GOOD SHEPHERD TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES
For the year ended 31 August 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also the trustees of the Charitable Company for the purposes of charity law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency (ESFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make 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 Charitable Company will continue in business.

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

The Trustees are responsible for ensuring that in their conduct and operation of the Charitable Company they apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA have been applied for the purposes intended.

All Trustees are required to complete, and keep updated, an annual declaration of business interests, to ensure that any potential conflict of interest is clear prior to any transaction taking place. During the year, there were no related party transactions with any Trustee.

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

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



James Friend
Chair of Trustees

Date: Dec 19, 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD SHEPHERD TRUST

Independent auditor's report to the members of The Good Shepherd Trust

We have audited the financial statements of the Good Shepherd Trust ("the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD SHEPHERD TRUST (continued)

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 27, the Trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD SHEPHERD TRUST (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Academy Trust and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance,

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD SHEPHERD TRUST (continued)

management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

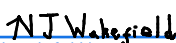
- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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 the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.


Nicola Wakefield (Dec 19, 2023 20:10 GMT)

Nicola Wakefield (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road
Sutton, Surrey SM1 4FS

Date: Dec 19, 2023

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REGULARITY TO THE GOOD SHEPHERD TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Independent Reporting Accountant's Assurance Report on Regularity to The Good Shepherd Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Good Shepherd Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Good Shepherd Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Good Shepherd Trust and the ESFA those matters we are required to state to it 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 Good Shepherd Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Good Shepherd Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Good Shepherd Trust's funding agreement with the Secretary of State for Education dated 30 August 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

**INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REGULARITY TO
THE GOOD SHEPHERD TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

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 to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

Conclusion

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


Mazars (Dec 19, 2023 20:37 GMT)

Mazars LLP, Reporting Accountant
Statutory Auditors

6 Sutton Plaza, Sutton Court Road
Sutton, Surrey SM1 4FS

Date: Dec 19, 2023

THE GOOD SHEPHERD TRUST
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 August 2023

		2023 Unrestrict- ed funds	2023 Restricted funds	2023 Restricted fixed asset funds	2023 Total	2022 Total
	Note	£,000	£,000	£,000	£,000	£,000
Income and endowments from						
Donations and capital grants	3	245	-	1,097	1,342	1,452
Transfer from local authority on conversion	2	178	(70)	42	150	-
Charitable activities						
Funding for the Trust's educational operations	4	19	29,289	-	29,308	27,169
Other trading activities	5	919	338	-	1,257	722
Investment income	6	13	-	-	13	1
Total		1,374	29,557	1,139	32,070	29,344
Expenditure on						
Raising funds	7	527	-	-	527	334
Charitable activities:						
Grants	8	-	-	2,418	2,418	1,386
Trust's educational operations	7, 9	19	31,292	80	31,391	30,187
Total		546	31,292	2,498	34,336	31,907
Net income/(expenditure)		828	(1,735)	(1,359)	(2,266)	(2,563)
Transfers between funds	18	(1,011)	879	132	-	-
Other recognised gains						
Actuarial gains/(losses) on defined benefit pension scheme	26	-	3,319	-	3,319	14,933
Net movement in funds		(183)	2,463	(1,227)	1,053	12,370
Total funds/(deficit) at 31 August 2022		2,043	(4,318)	8,628	6,353	(6,017)
Total funds at 31 August 2023	19	1,860	(1,855)	7,401	7,406	6,353

All income and expenditure derived from continuing activities.

THE GOOD SHEPHERD TRUST
BALANCE SHEET
As at 31 August 2023

Company number 8366199

	Notes	2023 £,000	2022 £,000
Fixed assets			
Tangible fixed assets	14	6,960	7,105
Current assets			
Debtors	15	1,349	2,083
Cash at bank	24	4,779	4,804
		6,128	6,887
Creditors: amounts falling due within one year	16	(3,456)	(2,857)
		2,672	4,030
Net current assets		2,672	4,030
Total assets less current liabilities		9,632	11,135
Creditors: amounts falling due after more than one year	17	(2)	(3)
		9,630	11,132
Pension scheme liability	26	(2,224)	(4,779)
Net assets/(liabilities) including pension liability		7,406	6,353
The funds of the charity			
Restricted funds			
Fixed asset fund	18	7,401	8,626
General fund	18	369	462
Pension reserve	18	(2,224)	(4,779)
Unrestricted income funds:			
Unrestricted funds		1,860	2,044
Total funds	18	7,406	6,353

These financial statements were approved by the Trustees and authorised for issue and are signed on their behalf by:



James Friend
Chair of Trustees

Date: Dec 19, 2023

The notes on pages 37 to 59 form part of these financial statements.

THE GOOD SHEPHERD TRUST
CASH FLOW STATEMENT
For the year ended 31 August 2023

		2023	2022
	Notes	£,000	£,000
Cash flows from operating activities			
Net cash from operating activities	21	(1,907)	(2,579)
Cash flows from investing activities			
	22	1,869	1,884
Cash flows from financing activities			
	23	13	1
		<u>(25)</u>	<u>(693)</u>
Change in cash and cash equivalents in the period			
Cash and cash equivalents at 1 September 2022	24	4,804	5,497
		<u>4,779</u>	<u>4,804</u>
Cash and cash equivalents at 31 August 2023		<u><u>4,779</u></u>	<u><u>4,804</u></u>

The notes to this statement are on page 55.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023

1. ACCOUNTING POLICIES

a) General information

The Trust is a company limited by guarantee, incorporated in England and Wales (company number: 08366199). The Company's registered office address is: The Academies Office, Larch Avenue, Guildford, Surrey, England, GU1 1JY.

b) Basis of preparation of financial statements

The financial statements of the Trust, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Good Shepherd Trust constitutes a public benefit entity as defined by FRS 102.

c) Going concern

The Trustees assess whether the use of going concern is appropriate ie. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

d) Income

All income is recognised when the Trust is legally entitled to it, receipt is probable and the amount can be measured reliably.

i) **Interest** is recognised as income when receivable.

ii) **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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

ii) **Donations** are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

iv) **Other income**, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

v) **Transfer on conversion** Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

e) Expenditure

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

- i) **Expenditure on Raising Funds:** This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- ii) **Charitable Activities:** These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

f) Operating leases

Rentals under operating leases are charged to the statement of financial activities income and expenditure account on a straight-line basis over the lease term.

g) Fund balances

Fund balances are split between unrestricted (general and designated), restricted and endowment funds.

- **Unrestricted funds** are the Trust's corporate funds and are freely available for any purpose within the Trust's objects, at the discretion of the Trustees.
- **Restricted fixed asset funds** are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.
- **Restricted general funds** comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the ESFA/DfE.

h) Fixed assets

All assets costing more than £10,000 are capitalised. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are 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 Trust's depreciation policy.

Where improvements are made to land and buildings owned by local church trustees, and occupied by the Trust on a rolling two year basis under a church supplemental agreement, this expenditure is accounted for as a Trust grant to the local church trustees, and not capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- i) **Leasehold buildings** are depreciated on a straight-line basis over the remaining useful life as estimated by the Trust's surveyors.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

- ii) **Leasehold improvements and fixtures and fittings** are depreciated on a straight-line basis over the estimated useful life of the asset
- iii) **Computer equipment** is depreciated on a straight-line basis over the expected useful life of 3 years.
- iv) **Assets in the course of construction** are included at cost. Depreciation on these assets is not charged until they are brought into use.
- v) **Motor vehicles** are depreciated on a straight-line basis over their expected useful life.

The depreciation rates applied by the Trust are as follows:

• Buildings	42 years
• Building improvements	10 years
• Furniture and fittings	4 years
• Motor vehicles	4 years
• Computer software and equipment	3 years

i) Debtors

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

j) Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

k) Financial instruments

The Trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

l) Taxation

The Trust is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust 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.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

m) Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

n) Critical accounting estimates and areas of judgement

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

For some of the Trust's academies, the charitable company occupies the buildings under a Church Supplemental Agreement which includes a two year break clause, thus judgement has been applied in determining that these buildings and leasehold improvements should not be recognised on the balance sheet.

Critical accounting estimates and assumptions

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

The actuarial valuation involves making assumptions such as standard rates of inflation, mortality, discount rates and anticipation of future salary increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

The asset on 31 August 2023 was £18.7m. For certain schools in the Trust, the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date. Therefore

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

for these schools the plan has a notional surplus. As management do not consider that the Trust will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

2 CONVERSION TO ACADEMY STATUS WITHIN THE TRUST

Scott-Broadwood CofE Infant School, Capel

On 1 October 2022, Scott-Broadwood CofE Infant School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the Good Shepherd Trust from Surrey County Council Local Authority for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as Voluntary Income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £,000	Restricted General Funds £,000	Restricted Fixed Asset Funds £,000	Total Funds £,000
Tangible fixed assets				
Leasehold land and buildings	-	-	-	-
Budget surplus on LA funds	79	-	8	87
LGPS pension (deficit)	-	(8)	-	(8)
Net assets / (liabilities)	79	(8)	8	79

Valley End CofE Infant School, Chobham

On 1 March 2023, Valley End CofE Infant School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the Good Shepherd Trust from Surrey County Council Local Authority for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as Voluntary Income.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £,000	Restricted General Funds £,000	Restricted Fixed Asset Funds £,000	Total Funds £,000
Tangible fixed assets				
Leasehold land and buildings	-	-	-	-
Budget surplus on LA funds	99	-	34	133
LGPS pension (deficit)	-	(62)	-	(62)
Net assets / (liabilities)	99	(62)	34	71

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £,000	Restricted Funds £,000	Restricted Asset fund £,000	Total 2023 £,000	Total 2022 £,000
Donations	-	-	-	-	-
Grants	245	-	-	245	103
Capital grants – ESFA	-	-	1,097	1,097	245
Capital grants – local authority	-	-	-	-	1,104
	245	-	1,097	1,342	1,452

In 2022, of the total donations and capital grants, £103,000 was for unrestricted funds and £1,349,000 was for restricted funds.

4 FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £,000	Restricted Funds £,000	Total 2023 £,000	Total 2022 £,000
DfE/ESFA grants				
General Annual Grant (GAG)	-	22,938	22,938	21,800
Teachers' pay and pension grants	-	17	17	25
Pupil premium	-	1,111	1,111	1,003
Universal infant free school meals	-	500	500	444
Grants for Trust activity	-	130	130	25
Supplementary grant	-	699	699	248
Other DfE/ESFA grants	-	1,015	1,015	716
	-	26,411	26,411	24,261
Other Government grants				
Local authority revenue grants	-	1,747	1,747	1,647
	-	1,747	1,747	1,647
Other income from the Academy Trust's educational operations	19	1,131	1,150	1,261
	19	1,131	1,150	1,261
	19	29,289	29,308	27,169

In 2022, of the total funding for the Trust's educational operations, £1,080,000 was to unrestricted funds (all classified as "other income") and £26,089,000 was to restricted funds.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

5 OTHER TRADING ACTIVITIES

	Unrestricted Funds £,000	Restricted Funds £,000	Total 2023 £,000	Total 2022 £,000
Hire of facilities	308	-	308	250
Income from other charitable activities	611	261	872	472
Income from ancillary trading activities	-	77	77	-
	<u>919</u>	<u>338</u>	<u>1,257</u>	<u>722</u>

In 2022, of the total other trading activities, £722,000 was for unrestricted funds and £nil was for restricted funds.

6 INVESTMENT INCOME

	Unrestricted Funds £,000	Restricted Funds £,000	Total 2023 £,000	Total 2022 £,000
Interest receivable	13	-	13	1
	<u>13</u>	<u>-</u>	<u>13</u>	<u>1</u>

In 2022, of the total investment income, £1,000 was for unrestricted funds and £Nil was for restricted funds.

7 EXPENDITURE

	Staff Costs £,000	Non-Pay Premises £,000	Expenditure Other costs £,000	Total 2023 £,000	Total 2022 £,000
Expenditure on raising funds:					
- Direct costs	381	-	146	527	240
- Allocated support costs	-			-	94
	<u>381</u>	<u>-</u>	<u>146</u>	<u>527</u>	<u>334</u>
Academy's educational operations					
- Direct costs	20,029	-	2,902	22,931	21,417
- Allocated support costs	3,787	2,669	2,004	8,460	10,156
	<u>23,816</u>	<u>2,669</u>	<u>4,906</u>	<u>31,391</u>	<u>31,573</u>
	<u>24,197</u>	<u>2,669</u>	<u>5,052</u>	<u>31,918</u>	<u>31,907</u>

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

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

	Staff Costs £,000	Non-Pay Premises £,000	Expenditure Other costs £,000	Total 2022 £,000	Total 2021 £,000
Expenditure on raising funds:					
- Direct costs	240	-	-	240	-
- Allocated support costs	-	-	94	94	-
	240	-	94	334	-
Academy's educational operations					
- Direct costs	18,483	-	2,934	21,417	19,827
- Allocated support costs	2,972	3,136	4,048	10,156	10,216
	21,695	3,136	7,076	31,907	30,043

	2023 £,000	2022 £,000
Net income/expenditure for the period includes		
Operating leases	56	44
Depreciation	145	138
Fees payable to auditor – audit	35	25
- other services	12	6
	253	213

8 ANALYSIS OF GRANT EXPENDITURE

	Unrestricted funds £,000	Restricted funds £,000	Total 2023 £,000	Total 2022 £,000
Improvements to diocesan property occupied by the academy trust	-	-	2,418	1,248
Total	-	-	2,418	1,248

9 CHARITABLE ACTIVITIES – TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds 2023 £,000	Restricted Funds 2023 £,000	Restricted Fixed Asset Funds 2023	Total 2023 £,000	Total 2022 £,000
Direct costs - educational operations	-	22,931	-	22,931	21,417
Support costs – educational operations	19	8,297	145	8,460	10,156
	19	31,228	145	31,391	31,573

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Analysis of support costs	Educational Operations	Total 2023	Total 2022
Support staff costs	3,787	3,787	3,212
Depreciation	145	145	138
Technology costs	628	628	862
Premises costs	2,669	2,669	1,950
Legal costs – conversion	48	48	6
Legal costs – other	24	24	12
Other support costs	1,096	1,096	
Governance costs	63	63	80
	8,460	8,460	10,156

10 STAFF

a) Staff Costs

Staff costs during the period were:

	2023 £,000	2022 £,000
Wages and salaries	17,350	15,965
Social security costs	1,630	1,526
Operating costs of defined benefit pensions schemes	4,459	3,534

23,439 **21,025**

Supply staff costs	734	608
Staff restructuring costs	24	62

24,197 **21,695**

Staff restructuring costs comprise:

- Severance payments	9	46
- Redundancy payments	15	16

24 **62**

b) Severance payments

The Trust made two severance payments in the year disclosed in the following bands:

£0-£25,000	2
£25,001-£50,000	0
£50,001-£100,000	0
£100,001-£150,000	0
£150,001+	0

These are Included in staff severance payments are non-contractual settlement payments of £9k (2022: £46k) comprised of individual payments of £5,000 and £3,920.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

c) Staff numbers

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

	2023	2022
	No.	No.
Charitable activities		
Teachers	314	309
Education Support	339	305
Administration and support	110	92
Trust Management	7	7
Total	<u>770</u>	<u>713</u>

d) Higher paid staff

The number of employees whose emoluments during the year exceeded £60,000 is as follows:

	2023	2022
£60,001 - £70,000	16	11
£70,001 - £80,000	4	4
£80,001 - £90,000	3	4
£90,001 - £100,000	3	1
£120,001 - £130,000	-	-
£130,001 - £140,000	1	1
	<u>27</u>	<u>21</u>

e) Key management personnel

The key management personnel of the Trust comprise the senior management team as listed on page 2, together with the head teachers of academies within the Trust. The total amount of employee benefits (including pension contributions) received by key management personnel for their services to the Trust was:

	2023	2022
	£,000	£,000
Senior leadership team	829	974
Head teachers	1,389	1,253

11 RELATED PARTY TRANSACTIONS INCLUDING TRUSTEES' REMUNERATION AND EXPENSES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

The Trustees consider that the following bodies are related parties in respect of the Trust:

- a) The Guildford Diocesan Board of Education (GDBE) is the sponsor in cases where Church of England voluntary aided or voluntary controlled schools are required to convert to academy status. The GDBE is constituted under the Diocesan Boards of Education Measure 1991 and is not an incorporated body, but conducts all its business through the Guildford Diocesan Board of Finance (GDBF) (a company limited by guarantee and a registered charity) and the GDBF's trading subsidiary, Guildford Diocesan Services Limited.
- b) The Guildford Diocese Educational Trust (GDET) is a company limited by guarantee and a charity, set up to be the incorporated sub-committee of the GDBE dealing with church academies in the Diocese of Guildford (an "umbrella" trust). It has no financial transactions. GDET is a corporate member of the Good Shepherd Trust and appoints other members of the Good Shepherd Trust.

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c) At the balance sheet date GDBF held on behalf of the Trust a balance of £298,640, being S106 funds held in relation to capital improvement works at St Mark and All Saints Primary School (2022: £849,737). At the balance sheet date GST had a liability of £nil to the GDBF (2022: £nil).

d) The following related party transactions took place in the financial period:

Guildford Diocesan Services Limited is the wholly owned trading subsidiary of the GDBF. During the year the Trust paid £17,065 (2022: £9,488) to GDSL for property and education services, and £nil was outstanding at the year-end (2022: £nil).

All transactions involving related parties are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No Trustee received any remuneration from the Trust during the year. During the year the Trust reimbursed travelling and other out of pocket expenses to two Trustees for £160 (2022: £89).

12 TRUSTEE AND OFFICER INSURANCE

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

13 CENTRAL SERVICES

The Trust has provided the following central services to its Schools during the year:

- School improvement
- Governance support services;
- Finance and payroll services;
- Human resources services;
- Management and educational support services;
- Estates management

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For the year ended 31 August 2023 (continued)

The Trust funded these services by holding back a Trust Share for each academy school of 7.0% of their general academy grant.

	2023	2022
	£,000	£,000
The actual amounts charged during the year were as follows:		
The Holme Church of England Primary School, Headley	58	52
St John's Church of England Primary School, Dorking	87	86
St Mary's Church of England Primary School, Chiddingfold	66	66
St Paul's Church of England Primary School, Addlestone	124	122
Ashley Church of England Primary School, Walton-on-Thames	184	174
Queen Eleanor's Church of England Junior School, Guildford	101	102
The Weald Church of England Primary School, Beare Green	53	56
Christ's College, Guildford	283	291
Waverley Abbey Church of England Junior School, Tilford	138	142
Farnborough Grange Nursery/Infant Community School	50	49
Potters Gate/St Andrew's Church of England Primary School, Farnham	182	160
Surrey Hills All Saints Primary School, Dorking	57	64
Ottershaw Infants and Junior Schools, Ottershaw	130	125
St Mark and All Saints Primary School, Godalming	44	37
Scott-Broadwood Church of England Infant School	23	-
Valley End Church of England Infant School	26	-
	1,606	1,526
	1,606	1,526

14 TANGIBLE FIXED ASSETS

Where land and buildings at former local authority maintained schools has been provided by way of a church supplemental agreement by the local church trustees for use by the Trust for the purposes of the successor academy, these land and buildings have not been valued in the financial statements.

	Leasehold land and buildings	Leasehold improvements	Furniture and equipment	Computer equipment	Total
Cost	£,000	£,000	£,000	£,000	£,000
At 1 September 2022	6,979	185	831	145	8,073
Additions	-	-	-	-	-
Prior period correction	-	(67)	67	-	-
At 31 August 2023	6,979	118	898	145	8,140
Depreciation					
At 1 September 2022	330	16	544	145	1,035
Charged in year	66	7	73	-	145
At 31 August 2023	396	23	617	145	1,035
Net Book Value					
At 31 August 2023	6,583	95	281	-	6,960
At 31 August 2022	6,649	169	287	-	7,105

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

15 DEBTORS

	2023	2022
	£,000	£,000
Trade debtors	73	40
Prepayments and accrued income	878	1,670
VAT refundable	384	343
Other debtors	13	30
	<u>1,349</u>	<u>2,083</u>

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£,000	£,000
Trade creditors	863	595
Taxation and social security	390	333
Other creditors	468	394
Accruals and deferred income	1,734	1,529
Loans	1	7
	<u>3,456</u>	<u>2,857</u>

Deferred income	2023	2022
	£,000	£,000
Deferred income at 1 September 2022	1,159	605
Released from previous years	(557)	(605)
Resources deferred in the year	662	1,159
	<u>1,264</u>	<u>1,159</u>

Deferred income for the year is comprised of: UIFSM grant: £328,790 (2022: £258,705); other DfE revenue grants: £176,624 (2022: £136,579); Local Authority grants: £71,952 (2022: £72,840); school trip/extended care income: £84,844 (2022: £88,660); deferred capital grant £601,834 (2022: £601,834).

17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£,000	£,000
Loan	-	3
Loan repayment instalments are due as follows:		
Between one and two years	2	3
	<u>2</u>	<u>3</u>

There was one loan outstanding at 31 August 2023 from Salix Finance - for a heating project at the Weald CE Primary School, which is interest-free and repayable in half-yearly instalments until 2027.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

18 FUNDS

	Balance at 31 August 2022 £,000	Income £,000	Expenditure £,000	Gains, losses and transfers £,000	Balance at 31 August 2023 £,000
Restricted general funds					
General annual grant	445	22,938	(23,977)	879	285
Pupil premium	-	1,111	(1,111)	-	-
Universal infant free school meals	-	500	(500)	-	-
Start-up grants	17	50	(43)	-	24
Supplementary grant	-	700	(640)	-	60
Other DfE/ESFA grants and other income	-	4,329	(4,329)	-	-
Pension scheme reserve	(4,779)	(70)	(694)	3,319	(2,224)
	(4,317)	29,557	(31,293)	4,198	(1,855)
Restricted fixed asset funds					
Transfer on conversion	6,667	42	(82)	-	6,627
DfE/ESFA capital grants	1,662	1,097	(1,985)	-	774
Transfer from GAG	-		(132)	132	-
Other capital funds	297	-	(297)	-	-
	8,626	1,139	(2,496)	132	7,401
Total restricted funds	4,309	30,696	(33,789)	4,330	5,546
Unrestricted funds	2,044	1,374	(546)	(1,011)	1,860
Total funds	6,353	32,070	(34,336)	3,319	7,406

Transfers have been made from unrestricted to restricted funds to support operations at Trust schools, and from DFC to capital funds to support capital projects.

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

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

	Balance at 31 August 2021 £,000	Income £,000	Expenditure £,000	Gains, losses and transfers £,000	Balance at 31 August 2022 £,000
Restricted general funds					
General annual grant	829	21,800	(22,594)	410	445
Teachers' pay and pension grants	-	25	(25)	-	-
Pupil premium	-	1,003	(1,003)	-	-
Universal infant free school meals	-	444	(444)	-	-
Start-up grants	-	25	(8)	-	17
Supplementary grant	-	248	(248)	-	-
Catch up funding	-	107	(107)	-	-
Other DfE/ESFA grants and other income	-	790	(790)	-	-
Local authority grants	-	1,647	(1,647)	-	-
Pension scheme reserve	(17,301)	-	(2,411)	14,933	(4,779)
	(16,472)	26,089	(29,277)	15,343	(4,317)
Restricted fixed asset funds					
Transfer on conversion	6,610		(82)	139	6,667
DfE/ESFA capital grants	1,914	245	(497)	-	1,662
Other capital funds	-	1,104	(807)	-	297
	8,524	1,349	(1,386)	139	8,626
Total restricted funds	(7,948)	27,438	(30,663)	15,482	4,309
Unrestricted funds	1,931	1,906	(1,244)	(549)	2,044
Total funds	(6,017)	29,344	(31,907)	14,933	6,353

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

Restricted general funds

- a) general annual grant: for educational purposes in the Trust's academies, as specified in ESFA funding agreements.
- b) pre-opening grants: for the purposes of converting maintained schools to academy status within the Trust, including school improvement during the first years of operation as an academy.
- c) other ESFA grants: in accordance with the terms and conditions of the grant, eg. Sponsor capacity grant, teachers' pay and pension grants, pupil premium, universal infant free school meal, PE sports funding.
- d) local government pension scheme reserve: this reserve is in deficit, reflecting the Trust's liability to fund in the long term the actuarial deficit on its sections of the local government defined benefit pension scheme.

Restricted fixed assets funds

- a) transfer from local authority/trustees: this reserve represents the net book value of the leasehold interest in land and buildings acquired on academy conversion, and any improvements thereto.
- b) ESFA capital grants: these capital grants from ESFA (eg. Academies capital and maintenance fund, environmental improvement, condition improvement fund, school condition allocations) may be used specifically in accordance with the terms of the approved bid.
- c) other capital funds consist of the restricted proceeds of previous fundraising for specified property purposes.

THE GOOD SHEPHERD TRUST
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For the year ended 31 August 2023 (continued)

Unrestricted funds: may be used for any of the general purposes of the Trust, and may be designated by the Trustees for any subset of those general purposes, eg. at a particular academy.

Both the restricted general funds (derived from the general annual grant which has yet to be spent for educational purposes in the Trust's schools) and the unrestricted funds (in their entirety) are held and managed as Trust-wide resources and may be used for any educational or general purpose respectively, as designated by the Trustees for any subset of those educational or general purposes, including for example at any of the Trust's schools or for shared services.

No limits have been imposed on the amount of GAG that the Trust is permitted to carry forward from one year to the next.

Funds balances at 31 August 2023 were allocated as follows:

	2023	2022
	£,000	£,000
The Holme	(169)	(113)
St John's	96	116
St Mary's	79	69
St Paul's	234	283
Ashley	87	166
Queen Eleanor's	425	407
The Weald	(435)	(324)
Christ's College	586	814
Waverley Abbey	491	407
Farnborough Grange	134	232
Potters Gate/St Andrew's	344	368
Surrey Hills All Saints	(186)	(144)
Ottershaw Infants and Junior	265	186
St Mark and All Saints	(45)	16
Scott-Broadwood	68	-
Valley End	115	-
Central services	140	23
Total before fixed assets and pension reserve	2,229	2,504
Restricted fixed asset fund	7,401	8,626
Pension reserve	(2,224)	(4,779)
Total	7,406	6,353

The following schools are carrying a net deficit:

The Holme CofE Primary School – the Trust has supported school improvement, resulting in an Ofsted Good grading. This has increased the attraction of the school and increased pupil numbers will result in increased funding which will clear the deficit over time.

The Weald CofE Primary School – the Trust supported improvement in pupil outcomes at this school, which resulted in an Ofsted Good grading in the year. Now that this has been achieved, we are able to deploy staff across other local schools to share best practice. This will result in a gradual reduction of the deficit.

Surrey Hills CofE Primary School has experienced a reduction in pupil numbers, reflecting the reduction in birth rates nationally. The Trust has taken effective measures to reduce costs through a shared leadership model, which will clear the deficit over time.

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

St Mark and All Saints Primary School – this school joined the Trust with low pupil numbers. However, as a result of a strong reputation locally, together with a residential development adjacent, pupil numbers are growing quickly and the Trust is confident that the deficit will be eliminated in the next three years.

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	2022/23
	£,000	£,000	£,000	£,000	£,000
The Holme	740	94	48	272	1,154
St John's	1,241	255	80	472	2,048
St Mary's	734	147	169	192	1,242
St Paul's	1,682	263	75	454	2,474
Ashley	2,183	395	152	873	3,603
Queen Eleanor's	1,182	203	175	382	1,942
The Weald	670	141	61	163	1,035
Christ's College	3,128	517	351	1,366	5,362
Waverley Abbey	1,535	222	216	430	2,403
Farnborough Grange	846	146	81	232	1,305
Potters Gate/St Andrew's	2,160	334	192	601	3,287
Surrey Hills All Saints	640	133	80	175	1,028
Ottershaw Infants & Junior	1,584	255	122	723	2,684
St Mark and All Saints	763	135	76	403	1,377
Scott-Broadwood	272	46	17	102	437
Valley End	278	48	18	91	435
Central services	390	834	2	1,147	2,373
Totals	20,029	4,168	1,914	8,079	34,190

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed assets Funds	Total Funds
	£,000	£,000	£,000	£,000
Tangible fixed assets	-	372	6,588	6,960
Current assets	1,860	2,853	1,415	6,128
Current liabilities	-	(2,854)	(602)	(3,456)
Long term liabilities	-	(2)	-	(2)
Pension scheme liability	-	(2,224)	-	(2,224)
Total net assets	1,860	(1,855)	7,401	7,406

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed assets Funds	Total Funds
	£,000	£,000	£,000	£,000
Tangible fixed assets	-	437	6,668	7,105
Current assets	2,044	2,283	2,560	6,887
Current liabilities	-	(2,255)	(602)	(2,857)
Long term liabilities	-	(3)	-	(3)
Pension scheme liability	-	(4,779)	-	(4,779)
Total net assets	2,044	(4,317)	8,626	6,353

20 FINANCIAL COMMITMENTS

Operating leases

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

	2023	2022
	£,000	£,000
Amounts due within one year	38	26
Amounts due between one and five years	39	46
	<u>77</u>	<u>72</u>

The Trust had the following capital commitments at the balance sheet date, all of which is to be funded from earmarked and approved SCA funding.

	2023	2022
	£,000	£,000
Expenditure contracted for but not yet incurred	809	936
	<u>809</u>	<u>936</u>

21 RECONCILIATION OF NET (EXPENDITURE) TO NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£,000	£,000
Net expenditure	(2,266)	(2,563)
Pension scheme costs recognised in excess of contributions	694	2,411
Depreciation (note 14)	145	138
Interest receivable	(13)	(1)
Capital grants from DfE and other capital grants	(1,097)	(1,349)
Cash transferred on conversion of schools	(220)	-
Donated pension liability	70	-
(Increase)/decrease in debtors	182	(1,163)
Increase/(Decrease) in creditors	598	(51)
Net cash (outflow) / inflow from operating activities	<u>(1,907)</u>	<u>(2,579)</u>

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For the year ended 31 August 2023 (continued)

22 CASH FLOWS FROM INVESTING ACTIVITIES

	2023	2022
	£,000	£,000
Capital grants from the DfE and other capital grants	1,649	1,951
Cash transferred on conversion from Local Authority	220	-
Purchase of tangible fixed assets	-	(67)
Total	(1,869)	(1,884)

23 CASH FLOWS FROM FINANCING ACTIVITIES

	2023	2022
	£,000	£,000
Interest received	13	1

24 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September	Cash flows	At 31 August
	2022	£,000	2023
	£,000		£,000
Cash in hand and at bank	4,804	(25)	4,779

25 ANALYSIS OF CHANGE IN NET DEBT

	At	Cashflows	Acquisition/	New	Other	At
	1 September		disposal of	finance	non-cash	31 August
	2022		subsidiaries	leases	changes	2023
Cash/cash equivalents	4,804	(27)	-	-	-	4,779
Overdraft	-	-	-	-	-	-
	4,804	(27)	-	-	-	4,779
Loans falling due within 1 year	7	(6)	-	-	-	1
Loans falling due after more than 1 year	3	(1)	-	-	-	2
Total	10	(7)	-	-	-	3

26 PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hampshire County Council and Surrey County Council. Both are multi-employer defined benefit schemes.

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

The contributions outstanding at 31 August 2023, all relating to the month then ended, amounted to £441,000 (2022: £390,000).

a) Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £2,524,000 (2022: £2,355,000).

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

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

b) Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2023 was £1,611,000 (2022: £1,485,000) of which employer's contributions totalled £1,246,000 (2022: £1,152,000) and employees' contributions totalled £365,000 (2021: £333,000). The agreed contribution rates for future years are between 17.9% and 19.7% for employers, and between 5.5% and 12.5% for employees.

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

<i>Principal actuarial assumptions</i>	<i>At 31 August 2023</i>	<i>At 31 August 2022</i>
Rate of increase in salaries	3.95-4.00%	3.70-4.10%
Rate of increase for pensions payment/inflation	2.95-3.00%	2.70-3.20%
Discount rate for scheme liabilities	5.20%	4.10-4.25%
Inflation assumption (CPI)	2.95-3.00%	2.70-3.20%

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

	<i>At 31 August 2023</i>	<i>At 31 August 2022</i>
<i>Retiring today</i>		
Males	21.0-22.1	22.1-22.9
Females	21.6-25.0	24.5-25.4
<i>Retiring in 20 years</i>		
Males	21.1-22.6	23.1-24.7
Females	25.3-26.3	26.2-27.1

	<i>At 31 August 2023</i>	<i>At 31 August 2022</i>
Sensitivity analysis		
Discount rate -0.1%	467	487
Mortality assumption – 1 year increase	837	806
Pension increase rate (CPI) rate +0.1%	455	465
Salary increase 0.1%	19	27

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

	<i>Fair value at 31 August 2023</i>	<i>Fair value at 31 August 2022</i>
	<i>£,000</i>	<i>£,000</i>
Equity instruments	13,979	11,745
Debt instruments	1,468	1,431
Property	2,604	2,079
Other including cash	731	612
	<hr/>	<hr/>
Total market value of assets	18,782	15,867
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £694,000 excluding gains/(losses) (2022: £267,000).

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
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Amount recognised in the statement of financial activities	2023	2022
	£,000	£,000
Current service cost	1,723	3,263
Past service cost	-	-
Interest cost	921	567
Interest income	(704)	(267)
	<u>1,940</u>	<u>3,563</u>

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

	2023	2022
	£,000	£,000
Valuation of defined benefit obligation at 1 September 2022	20,646	32,701
Transfers from local authority on conversion	331	-
Current service cost	1,723	3,263
Past service cost	-	-
Interest cost	921	567
Remeasurement (gains)/losses	(2,784)	(16,029)
Employee contributions	365	333
Benefits paid out	(288)	(189)
	<u>20,914</u>	<u>20,646</u>

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

	2023	2022
	£,000	£,000
Valuation of the fair value of assets at 1 September 2022	15,867	15,400
Transfer of assets from the local authority	261	-
Interest income	704	267
Remeasurement gains/(losses)	627	(1,096)
Employee contributions	365	333
Employer contributions	1,246	1,152
Net benefits paid out	(288)	(189)
Net increase from disposals/acquisitions	-	-
	<u>18,690</u>	<u>15,867</u>

Certain school valuations have shown that their pension schemes, as at 31 August 2023, are in an asset position totalling £92,000. As it is unlikely that the Trust will be in a position to recover the surplus, this value has not been recognised, resulting in a closing pension liability of £2,224,000.

Initial liability	(2,132)
Eliminate pension gain	(92)
	<u>(2,224)</u>

THE GOOD SHEPHERD TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2023 (continued)

27 POST BALANCE SHEET EVENTS AND CONTINGENT LIABILITIES

Bramley CofE Infant School converted to an academy in the Good Shepherd Trust on 1 September 2023.

There were no contingent liabilities at the balance sheet date.

28 PRINCIPAL SUBSIDIARY

The following is a subsidiary of the Trust:

Name	Good Shepherd Trust Services Limited
Company No	11470574
Registered office	Academies Office, Larch Avenue, Guildford GU1 1JY
Principal activity	Provision of services to Church schools and academies
Class of shares	Ordinary
Holding	100%
Included in consolidation	No – per the Trust’s accounting policy, the trading is immaterial.

Financial results for the subsidiary for the year were

Income	Expenditure	Surplus for the year	Net assets
£,000	£,000	£,000	£,000
82	82	0	0

Good Shepherd Trust Services Limited resolved to gift aid profits of £82k to the Academy Trust. No debtors remained outstanding at year end (2022: £13,000). Included in year-end creditors is £19,000 due to Good Shepherd Trust Services Limited (2022: £nil).

The Trust also charged an administration fee of £200 to Good Shepherd Trust Services (2022: £200).

29 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.