

Company Registration Number: 07696155 (England & Wales)

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Annual report and financial statements

For the Year Ended 31 August 2023

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 14
Governance statement	15 - 19
Statement of regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditors' report on the financial statements	22 - 24
Independent reporting accountant's report on regularity	25 - 26
Statement of financial activities incorporating income and expenditure account	27 - 28
Balance sheet	29 - 30
Statement of cash flows	31
Notes to the financial statements	32 - 67

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Bishop Alan Williams, Bishop of Brentwood Brentwood Roman Catholic Diocese (Corporate Trustee) Fr. Stephen Myers, Episcopal Vicar for Education
Trustees	John Anthony, Chair Michael Corcoran (resigned 1 July 2023) Canon Andrew Headon Natasha Scott John Adams Kevin Doogan Ciaran Clerkin John Davighi Jennifer Gumbrell (appointed 4 September 2022, resigned 12 January 2023) Teresa Thompson (appointed 1 July 2023)
Company registered number	07696155
Company name	The Good Shepherd Catholic Trust
Principal and registered office	c/o Londoneast (UK) Ltd Yewtree Avenue Dagenham Essex RM10 7FN
Company secretary	Jayant Gohil
Senior management team	Michael Corcoran, Chief Accounting Officer Jayant Gohil, Interim Chief Finance Officer
Independent auditors	Xeinadin Audit Limited Chartered Accountants Statutory Auditor 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Natwest plc 27 High Road Chadwell Heath Romford Essex RM6 6QD
Solicitors	Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB

THE GOOD SHEPHERD CATHOLIC TRUST

(A company limited by guarantee)

Trustees' report (continued) For the Year Ended 31 August 2023

Structure, governance and management (continued)

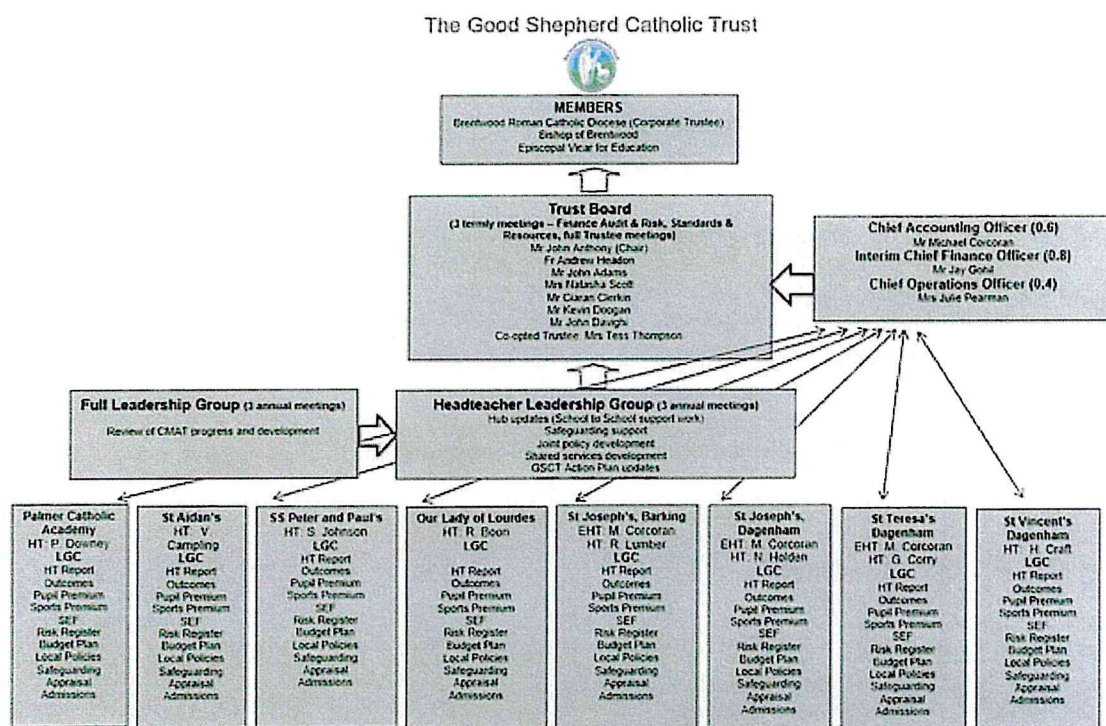
e. Policies adopted for the induction and training of Trustees

Following their appointment all new Trustees receive an introduction to their role from the Chair and CAO, this introduction includes tours of the Academies and the opportunity to meet members of Trust staff.

The Trustees of The Good Shepherd Trust are committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to undertake their role more effectively.

Additionally Trustees with specific roles within the Trust Board are strongly encouraged to undertake specific training through the Diocese or other professional body.

f. Organisational structure



g. Arrangements for setting pay and remuneration of key management personnel

The rules for determining the pay of key management personnel (for the purposes of this definition this includes the Head teacher, Deputy Head teachers and Assistant Head teachers who sit on the SLT) are set out in the School Teacher's Pay and Conditions Document (STPCD).

Arrangements for setting the pay and remuneration of the Trusts key management personnel are reviewed by and approved by the Trustees. The Trust follows the pay arrangements for maintained schools in England and Wales for teachers and support staff. The academies teachers' pay policy is based on the national agreed pay scale as outlined in the School Teachers Pay and Conditions Document. The academy adheres to Local Government pay arrangements for support staff and follows the Local Government pay spine.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	12,752,294
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Good Shepherd Catholic Trust currently has eight academies:

The Palmer Catholic Academy
St Aidan's Catholic Academy
SS Peter and Paul
Our Lady of Lourdes
The St Teresa Catholic Primary School
St Joseph's RC Primary School, Barking
St Joseph's Catholic Primary School, Dagenham
St. Vincent's Catholic Primary School, Dagenham

j. Engagement with suppliers, customers and others in a business relationship with the Academy

The Good Shepherd Catholic Trust regards the need to foster the company's business relationship with suppliers, customers and others as essential. We maintain and develop business relationships with key suppliers across all academies by seeking to adhere to all contractual obligations, including payment timescales. The trust conducts fair and transparent procurement processes to ensure that key suppliers provide best value and are treated with equity.

The trust also considers the relationship with other stakeholders, such as the wider community as key to the success of the organisation. The trust engages with individual communities through its academies and their communication channels. The trust's website details the individual and collective actions and plans of the academies and trust as a whole.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Objectives and activities

a. Objects and aims

The principal activity of The Good Shepherd Catholic Trust is to provide a quality, free education for young people aged 3 to 19, who desire a Catholic education for their child and live in the area local to the Trust and from feeder parishes.

b. Objectives, strategies and activities

The Trustees are determined to maintain the traditional ethos, values, standards and achievements of the academy, whilst continuing to work to fulfil the academy's medium and longer term development plans.

The aims of the Trust rest on the following principles:

The advancement for the public benefit education in the United Kingdom, in particular but without prejudice by establishing, maintaining, carrying on, managing and developing a Catholic Academies which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic Canon Law applying thereto including any trust deed governing the use of the land used by the Academies both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to advice and following directives issued by the Diocesan Bishop.

The main objectives of the Trust for the year ended 31st August 2023 is summarised below:

- To ensure that every student receives high quality education in terms of resourcing, tuition and care based on Gospel values.
- Secure increased achievement of all groups of learners at key stage 1, stage 2, stage 4 and post 16.
- Continue to develop leadership capacity and achievement.
- To improve the effectiveness of the Trust by continual review of the curriculum and organisational structure.
- To improve the progress and outcomes of all being taught in the Trust.
- Robust governance and oversight of the strategic direction and finances of the Trust.
- To ensure the operation of the Trust demonstrates good value for money and efficient and effective use of resources.
- To ensure that standards are continually raised within the Trust, the Trustees and the Leadership Teams.
- Operates a robust quality assurance calendar which monitors the quality of teaching, learning and outcomes.
- Evaluates, monitors and supports curriculum departments and other aspects of the Trust to secure outcomes.

c. Public benefit

The Trustees have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by The Good Shepherd Catholic Trust is the maintenance and development of the high-quality education provided by the schools for over 50 years, to the young people of Ilford and the surrounding parishes. In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Strategic report

Achievements and performance

2023 Trust primary School consolidated outcomes			
% of pupils achieving the national standard in:	The Good Shepherd Catholic Trust Average Outcomes '23	National 2023	% Difference to National
EYFS 2023 Outcome	71.4	67	+ 4.4
Year 1 Phonics 2023 Outcome	77.7	79.5	-1.8
KS1 Reading 2023 Outcome	71.4	68	+ 3.2
KS1 Writing 2023 Outcome	64.1	58	+ 6.1
KS1 Maths 2023 Outcome	74.1	70	+ 4.1
KS1 R, W & M 2023 Outcome	60	56	+ 4
KS2 Reading 2023 Outcome	79.1	73	+ 6.1
KS2 Writing 2023 Outcome	81.7	71	+ 10.7
KS2 Maths 2023 Outcome	83	73	+ 10
KS2 SPAG 2023 Outcome	83.4	72	+ 11.4
KS2 R, W & M 2023 Outcome	72	59	+ 13.7

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

Secondary School - End of year data 2022/23 (GCSE)

some more initial data based on the published JCQ summer GCSE document

	National 9-5	TPCA 9-5	National 9-7	TPCA 9-7
English Language	47.9%	71.7%	16.0%	24.1%
English Literature	57.7%	72.4%	20.6%	31.4%
Maths	43.0%	74.6%	17.2%	31.7%
RE	61.3%	81.0%	30.6%	35.1%
Combined Science	35.7%	56.3%	8.5%	8.2%
Biology	79.2%	96.4%	42.0%	46.4%
Chemistry	79.1%	94.6%	43.6%	51.8%
Physics	79.9%	98.2%	43.0%	48.2%

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

a. Key performance Indicators

During the 12-month period to 31st August 2023 the Good Shepherd Catholic Trust has controlled and managed its expenditure to ensure that it operated within the funding available through the General Annual Grant. The Trust from its total budget extracted key indicators to monitor progress against budgets over the year. These internal budgets are based on benchmarking where appropriate with previous years.

Finance and Central Services

Year	Action	Impact	Status
2021-22	Further central procurement opportunities, coordinated by the central trust team (Catering, Cleaning, IT, premises and maintenance)	Further services provided by central trust in agreement with schools and savings on shared services/procurement	Complete
	Budget planning and development supported by the CFOO and MA during the spring term	School BMs and ABMs supported in more effective budget planning ahead of the publication of the GAG allocations in April 2022	Complete (Rolled forward with the change from Management Accountant to Deputy CFO)
	Procurement process for internal and external audit providers 2022-23	Best value for all audits across the trust achieved	Completed
2022-23	Induction and training for St Vincent's Catholic Primary School from 01.09.2022	Smooth transition in to the trust for the 8 th school with support for the admin function as they move to financial accounting.	Completed
	Trust uses the 'MAT Assurance Framework (2021)' as a self-assessment tool to judge effectiveness	Effective benchmarking of the trust's progress and actions, leading to an updated action plan.	Under review – New DfE Trust Quality Descriptors published
	Finance Committee Chairs to form training/CPD group with the trust team.	Network of LGC Finance Committee chairs to promote CPD, sharing of resources and consistency across local finance reporting.	Not achieved – review for 23-24

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence 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.

c. Promoting the success of the company

The directors of the Good Shepherd Catholic Trust acknowledge their commitment to act in a way most likely to promote the success of the company. In doing so we pay particular regard to;

The likely consequences of any decision in the long term by planning over a minimum of a 3-to-5-year period and ensuring that all arrangements are reviewed annually to help ensure the long-term stability and growth of the trust.

The interests of the company's employees by ensuring all staff policies and procedures follow best practice and are guided by our professional HR and personnel services.

The need to foster the company's business relationships with suppliers, customers and others (Please see section included on page 8).

The impact of the company's operations on the community and the environment by carrying out regular consultations, parent meetings and surveys at academy level to engage with the local community and local area.

The desirability of the company maintaining a reputation for high standards of business conduct by ensuring the highest standards of education continue to be provided and compare favourably to local and national outcomes. Our leadership of trust and schools set an exemplary standard and putting the pupils at the heart of all decisions the academies and trust make.

The need to act fairly as between members of the company by ensuring an effective and well-structured reporting system which enables effective communication to all members, trustees and leadership team members.

Financial review

In the current climate of uncertainty about future funding, Trustees have made it a priority to ensure that high standards are maintained within the framework of a budget that is sustainable, and have been rigorous in evaluating any proposals for additional expenditure.

Most of the Trust's income is obtained from the Department for Education via the Education and Skills Funding Agency in the form of the General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Funds have also been received from students to pay for a wide range of educational visits and activities and these have been applied to the associated costs.

The Trust received the Devolved Formula Capital Grant (DFC) which in accordance with the Charities SORP 2019, is shown in the Statement of Financial Activities as restricted fixed asset funds.

The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds and investment income.

The Trustees are concerned with the large deficit that the Local Government Pension Fund is reporting.

Key financial policies adopted or reviewed during the year include the Finance Policy which establishes Reserves Policy.

a. Reserves policy

The Trust is aware of the requirement to balance current and future needs. The Trust always aims to set a balanced budget.

After careful analysis the Trust has deemed that the adequate range of reserves should be no greater than 12% of combined restricted and unrestricted general annual grant.

The Trust's current level of free reserves is £318,428 (2022 - £631,131) (total funds less the amount held in fixed assets and restricted funds).

b. Investment policy

Apart from cash held for the operation of the Trust, The Good Shepherd Trust has no realisable investments. With respect to its cash holdings the Trust has adopted a low-risk strategy. In addition to the main current account the Academies maintain an instant access deposit account. Suitable sweeping and switching procedures are in place at the Academies bankers to ensure that adequate funds are available in the current account whilst maintaining a balance in the deposit account as high as possible.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

c. Principal risks and uncertainties

The Trusts activities expose it primarily to cash flow risk. The Trust continually monitors cash flows to ensure the Academy Trust has sufficient funds available to meet debts as they fall due. The Governing Body maintains significant cash reserves at all times.

The principal risks and uncertainties facing the Trust are as follows:

Financial Risk – The Trust is operating in a period of considerable financial uncertainty with regard to public funding. Variations year on year in the numbers of Primary pupils and 6th form students joining the Trust, stemming from local demographic trends is having an effect upon funding levels; year on year reductions in the per capita funding of students in the Trust; and the deficit in the Local Government Pension Scheme, possibly leading to an increase in employer contribution rates.

Failures in governance and/or management - The risk in this area arises from potential failure to effectively manage the Trust finances, internal controls, compliance with regulations and 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 Academy Trust depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. To mitigate this risk Trustees to ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child safeguarding policies and procedures, health & safety, training, support and discipline, in order to protect vulnerable young people in its care.

Staffing - The success of the Academies is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning to minimise the risk resulting from major changes in key staff.

Fraud and mismanagement of funds - The Trust uses the services of an external auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Good Shepherd Catholic Trust has a robust risk management regime in place which has been developed with a formal, trust-wide risk management portal for 2023-24.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Streamlined energy and carbon reporting

The Academy's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	3,233,811	3,554,592
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	415	510
Total scope 1	415	510
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	227	199
Total gross emissions (in tonnes of CO2 equivalent):	642	709
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.20	0.23

The Academy has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Plans for future periods

Central to the work of The Good Shepherd Catholic Trust is its commitment to further develop and enhance the educational experience of its pupils and students at all levels. Additionally, it will continue its efforts to improve the achievements of its pupils and students, not only in academic subjects but also in its holistic approach to educating young people including extracurricular activities and in essential life skills; so as to increase the number of opportunities open to its students when they move on to further training, apprenticeships or higher education and ultimately employment.

The Trustees recognise that through good financial management they have been able to invest and improve significantly the quality of the built environment of the Academies. The Trust wish to continue this programme of developments to further improve the teaching spaces and facilities for both staff and students.

The Trust:

- Will continue to aim to attract high calibre teachers and support staff in order to deliver its objectives;
- Will continue to work with partner schools to improve the educational opportunities for students in the wider community;
- Will continue to seek capital investment to improve facilities;
- Will continue to promote a wide range of extra-curricular activities;
- Will continue to raise standards through improved data collection and intervention strategies;
- Will manage finances efficiently and effectively in order to ensure value for money;
- Will continue with the on-going push in improving outcomes for the young people it serves;
- Will continue with the whole academy focus on improving literacy levels of all pupils and students;
- Will continue to improve behaviour and attendance through raising aspirations and collaborative work of the Leadership Group

Funds held as custodian on behalf of others

During the period from 1st September 2022 to 31st August 2023, The Good Shepherd Catholic Trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2023

Auditors

The auditors, Xeinadin Audit Limited, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Finance and Premises committee.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2023 and signed on its behalf by:



John Anthony
Chair of Trustees

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Good Shepherd Catholic 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 of trustees has delegated the day-to-day responsibility to the CAO, 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. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Governance Statement (continued)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
John Anthony, Chair	6	6
Michael Corcoran	5	6
Canon Andrew Headon	6	6
Natasha Scott	4	6
John Adams	4	6
Ciaran Clerkin	6	6
Kevin Doogan	5	6
Teresa Thompson	3	6
Jennifer Gumbrell	2	2

There has been one addition to the board of trustees in 2022-23, but have been no other key changes to the board. The coverage of work remains consistent with the previous years, with the board monitoring the financial, academic and overall performance of the trust in its two formal termly meetings. The board use the MAT Assurance Framework as an internal audit and assurance tool. The external benchmarking data used by the board for aspects of its work helps to ensure an objective approach to data and the quality of its monitoring work.

Conflicts of interest

The trust and the professional clerking service maintain an up-to-date and complete register of interests, and the information on this register is used in the day-to-day management and governance of the academy trust.

Meetings

The board of trustees has formally met termly throughout the year. The planned meeting schedule includes termly 'Finance Audit and Risk' meetings, 'Standards and Resources' meetings and a full trustee meeting.

Governance Reviews:

A full 'skills audit' of the current trustees has been conducted in 2020-21 and will be repeated and updated during the 2023-24 academic year.

The board members act as committee members for either the Finance, Audit and Risk or standards and resources committee, dependent upon skills and background.

The Finance, Audit and Risk committee is a sub-committee of the main board of trustees. Its purpose is to consider all audit and internal scrutiny outcomes, monitor income and expenditure across the trust and plan and approve the trust budget.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
John Anthony	3	3
Fr. Andrew Headon	2	3
John Davighi	3	3
Kevin Doogan	3	3

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Governance Statement (continued)

Review of value for money

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

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

The Trustees are accountable for the way in which the Trust's resources are allocated to meet the objectives set out in the individual academy's development plans. Trustees need to secure the best possible outcome for pupils/students, in the most efficient and effective way. This will lead to continuous improvement in the academy's achievements and services.

Over the last financial period, The Good Shepherd Catholic Trust has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to improve.

The Trust has focussed on improving the quality of teaching across the academies by ensuring teachers set challenging targets for pupils, by ensuring teachers provide feedback to pupils that helps move their learning forward and by involving parents and children more in their education. The Academies have continued to keep the staffing structure under review.

The Board of Trustees approves the budget each year and is mindful of the need to balance expenditure against income to ensure that The Good Shepherd Catholic Trust continues to develop. The Board of Trustees also received and approves the Annual Accounts and the External Auditors Management Report.

Monthly budget monitoring reports are produced and reviewed regularly by the Business Manager and the Head teacher of each individual academy. Any necessary remedial action is taken to address any significant variances that may have an impact on the budget outcome. This has ensured that spending is within budget and forward plans are agreed and implemented. This regular monitoring ensures the best use of resources and prevents waste.

The Good Shepherd Catholic Trust deploys equipment, materials and services to provide pupil / student and staff with resources which support quality of teaching and quality of learning.

Contract evaluation exercises are routinely undertaken to assess all contracts against the marketplace to ensure that these remain competitive.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Good Shepherd Catholic Trust for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Governance Statement (continued)

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 01 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 board of trustees.

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Price Bailey LLP.

This option has been chosen because it provides a professional and comprehensive internal audit process to help support The Good Shepherd Catholic Trust.

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

- testing of budget setting and review processes
- testing of procurement and best value process

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Governance Statement (continued)

Review of effectiveness

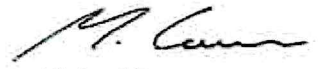
As accounting officer, the CAO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

Approved by order of the members of the Board of Trustees on 11 December 2023 and signed on their behalf by:


John Anthony
Chair of Trustees


Michael Corcoran
Accounting Officer

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Statement of Regularity, Propriety and Compliance

As accounting officer of The Good Shepherd Catholic Trust I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022.

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

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



Michael Corcoran
Accounting Officer
Date: 11 December 2023

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 11 December 2023 and signed on its behalf by:


John Anthony
Chair of Trustees

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of The Good Shepherd Catholic Trust

Opinion

We have audited the financial statements of The Good Shepherd Catholic Trust (the 'academy') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of The Good Shepherd Catholic Trust (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of The Good Shepherd Catholic Trust (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

As part of an audit in accordance with ISAs (UK), exercise professional judgement and maintain professional scepticism through the audit. We also:

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.
2. Held discussions with the client regarding their policies and procedures on compliance with laws and regulations.
3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities.

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

Use of our report

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



Samuel Ketcher (Senior statutory auditor)

for and on behalf of
Xeinadin Audit Limited
Chartered Accountants
Statutory Auditor
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 14 December 2023

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 10 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 Catholic Trust during the year 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 Catholic Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Good Shepherd Catholic Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Good Shepherd Catholic Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Good Shepherd Catholic Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Good Shepherd Catholic Trust's funding agreement with the Secretary of State for Education dated 29 July 2011 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 year 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 ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 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.

Xeinadin Audit Limited

Reporting Accountant
Xeinadin Audit Limited
Chartered Accountants
Statutory Auditor

Date: 14 December 2023

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Statement of financial activities (Incorporating income and expenditure account)
For the Year Ended 31 August 2023

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and capital grants 4	138,880	(50,634)	1,163,249	1,251,495	749,732
Other trading activities	522,543	244,273	-	766,816	432,396
Investments 7	34,629	-	-	34,629	1,091
Charitable activities	-	21,612,938	-	21,612,938	19,182,064
Teaching schools	-	2,530	-	2,530	4,696
Total income	696,052	21,809,107	1,163,249	23,668,408	20,369,979
Expenditure on:					
Raising funds	225,664	-	-	225,664	95,775
Charitable activities 9	-	23,709,277	128,334	23,837,611	22,037,991
Total expenditure	225,664	23,709,277	128,334	24,063,275	22,133,766
Net income/(expenditure)	470,388	(1,900,170)	1,034,915	(394,867)	(1,763,787)
Transfers between funds 23	(783,091)	1,846,176	(1,063,085)	-	-
Net movement in funds before other recognised gains/(losses)	(312,703)	(53,994)	(28,170)	(394,867)	(1,763,787)
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes 31	-	780,000	-	780,000	7,287,000
Pension surplus not recognised 31	-	(541,000)	-	(541,000)	-
Net movement in funds	(312,703)	185,006	(28,170)	(155,867)	5,523,213

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Statement of financial activities (Incorporating income and expenditure account) (continued)
For the Year Ended 31 August 2023

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	631,131	215,941	1,427,619	2,274,691	(3,248,522)
Net movement in funds	(312,703)	185,006	(28,170)	(155,867)	5,523,213
Total funds carried forward	318,428	400,947	1,399,449	2,118,824	2,274,691

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

The notes on pages 32 to 67 form part of these financial statements.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)
Registered number: 07696155

Balance sheet
As at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	18	322,661	280,308
		322,661	280,308
Current assets			
Stocks	19	47,421	-
Debtors	20	586,750	385,956
Cash at bank and in hand		3,505,516	3,449,903
		4,139,687	3,835,859
Creditors: amounts falling due within one year	21	(1,695,961)	(1,162,766)
Net current assets		2,443,726	2,673,093
Total assets less current liabilities		2,766,387	2,953,401
Creditors: amounts falling due after more than one year	22	(186,563)	(187,710)
Net assets excluding pension liability		2,579,824	2,765,691
Defined benefit pension scheme liability	31	(461,000)	(491,000)
Total net assets		2,118,824	2,274,691

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)
Registered number: 07696155

Balance sheet (continued)
As at 31 August 2023

	Note	2023 £	2022 £
Funds of the Academy			
Restricted funds:			
Fixed asset funds	23	1,399,449	1,427,619
Restricted income funds	23	861,947	706,941
Restricted funds excluding pension asset	23	2,261,396	2,134,560
Pension reserve	23	(461,000)	(491,000)
Total restricted funds	23	1,800,396	1,643,560
Unrestricted income funds	23	318,428	631,131
Total funds		2,118,824	2,274,691

The financial statements on pages 27 to 67 were approved by the Trustees, and authorised for issue on 11 December 2023 and are signed on their behalf, by:


John Anthony
Chair of Trustees

The notes on pages 32 to 67 form part of these financial statements.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Statement of cash flows
For the Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	25	(970,430)	(1,521,117)
Cash flows from investing activities	27	1,027,191	610,224
Cash flows from financing activities	26	(1,148)	(1,148)
Change in cash and cash equivalents in the year		55,613	(912,041)
Cash and cash equivalents at the beginning of the year		3,449,903	4,361,944
Cash and cash equivalents at the end of the year	28, 29	<u>3,505,516</u>	<u>3,449,903</u>

The notes on pages 32 to 67 form part of these financial statements

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

1. General information

The Good Shepherd Catholic Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is C/O Londoneast (UK) Ltd, Yewtree Avenue, Dagenham, Essex, England, RM10 7FN.

The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

The Good Shepherd Catholic Trust meets the definition of a public benefit entity under FRS 102.

The financial statements were prepared in sterling to the nearest pound.

2.2 Going concern

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy has provided the goods or services.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy 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 Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

2.4 Expenditure

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

- **Expenditure on raising funds**

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.4 Expenditure (continued)

- **Charitable activities**

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

All resources expended are inclusive of Irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

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

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.7 Tangible fixed assets

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

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

The academy trust occupies land and buildings at a number of sites which are provided to it and owned by The Brentwood Roman Catholic Diocese Trustee ('the Site Trustee'). The academy trust occupies this land and buildings under the terms of Supplemental Agreements between the Site Trustee, the Secretary of State and the academy trust, which provide the academy trust with the right to use the land and buildings of the Academies for an indefinite period, subject to a 2 year termination notice period, which amounts to a mere licence. Having considered the fact that the academy trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence, which transfers to the academy trust no rights or control over the sites save that of occupying it at the will of the Site Trustee under the terms of the relevant site trust, the Trustees have concluded that the value of the land and buildings occupied by the academy trust will not be recognised on the balance sheet of the academy trust.

As it is the academy trust's policy that land and buildings occupied under Supplemental Agreements do not constitute fixed assets, any improvements to land and buildings occupied under such agreements are not capitalised. Any such expenditure is recognised in support costs as charitable expenditure and allocated to the restricted fixed asset fund.

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

Depreciation is provided on the following basis:

Furniture and equipment	-	10% Reducing balance
Computer equipment	-	33% Straight line

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

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 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.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.10 Cash at bank and in hand

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

2.11 Liabilities

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

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 20. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 21 and 22. 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.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

2.15 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. the funds received and paid, and any balances held are disclosed in note 34.

2.16 Fund accounting

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

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

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

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

Multi-employer defined benefit pension scheme

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

Critical areas of judgment:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 18 for the carrying amount of the property, plant and equipment, and note 2.7 for the useful economic lives of each class of assets.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

4. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations					
Transfer from local authority on conversion	-	(50,634)	39,846	(10,788)	-
Other donations	138,880	-	-	138,880	71,239
	<u>138,880</u>	<u>(50,634)</u>	<u>39,846</u>	<u>128,092</u>	<u>71,239</u>
Capital Grants	-	-	1,123,403	1,123,403	678,493
	<u>138,880</u>	<u>(50,634)</u>	<u>1,163,249</u>	<u>1,251,495</u>	<u>749,732</u>
Total 2022	<u>71,239</u>	<u>-</u>	<u>678,493</u>	<u>749,732</u>	

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

5. Funding for the Academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	18,106,816	18,106,816	16,769,550
Other DfE/ESFA grants			
Pupil Premium	853,713	853,713	743,869
Teachers Pension Grant	63,384	63,384	68,947
Teachers Pay Grant	4,258	4,258	24,402
UIFSM	297,354	297,354	278,041
PE & Sports Premium	129,940	129,940	113,020
Rates Reclaim	-	-	72,115
Start Up Grants	-	-	1,400
Supplementary grant	489,932	489,932	190,625
Mainstream Schools Additional Grant	241,677	241,677	-
Others	17,218	17,218	41,858
	<u>20,204,292</u>	<u>20,204,292</u>	<u>18,303,827</u>
Other Government grants			
Special educational projects	394,302	394,302	356,947
Early years funding	620,700	620,700	287,948
Others	195,934	195,934	41,804
	<u>1,210,936</u>	<u>1,210,936</u>	<u>686,699</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up/Recovery Premium	136,799	136,799	87,452
Other DfE/ESFA COVID-19 funding	60,911	60,911	104,086
	<u>197,710</u>	<u>197,710</u>	<u>191,538</u>
	<u>21,612,938</u>	<u>21,612,938</u>	<u>19,182,064</u>
	<u>21,612,938</u>	<u>21,612,938</u>	<u>19,182,064</u>
Total 2022	<u>19,182,064</u>	<u>19,182,064</u>	

The academy received £137k (2022 - £87k) of funding for catch-up/recovery premium and costs incurred in respect of this funding totalled £137k (2022 - £87k).

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

6. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	24,568	-	24,568	28,405
School trips	161,020	-	161,020	86,081
Other income	336,955	244,273	581,228	317,910
	<u>522,543</u>	<u>244,273</u>	<u>766,816</u>	<u>432,396</u>
Total 2022	<u>336,073</u>	<u>96,323</u>	<u>432,396</u>	

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	34,629	34,629	1,091
Total 2022	<u>1,091</u>	<u>1,091</u>	

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

8. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on raising voluntary income:					
Direct costs	-	-	225,664	225,664	95,775
Educational operations:					
Direct costs	14,482,608	-	805,884	15,288,492	14,069,407
Allocated support costs	3,376,375	1,986,384	3,186,360	8,549,119	7,968,584
	<u>17,858,983</u>	<u>1,986,384</u>	<u>4,217,908</u>	<u>24,063,275</u>	<u>22,133,766</u>
Total 2022	<u>16,827,636</u>	<u>1,587,636</u>	<u>3,718,494</u>	<u>22,133,766</u>	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Educational operations	<u>23,837,611</u>	<u>23,837,611</u>	<u>22,037,991</u>
Total 2022	<u>22,037,991</u>	<u>22,037,991</u>	

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	15,288,492	8,549,119	23,837,611	22,037,991
Total 2022	14,069,407	7,968,584	22,037,991	

Analysis of direct costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	13,691,114	13,691,114	12,535,638
Educational supplies	507,225	507,225	493,994
Examination fees	116,930	116,930	105,813
Staff development	91,935	91,935	80,167
Educational consultancy	89,443	89,443	85,834
Other direct costs	351	351	3,941
Restructuring costs	-	-	19,176
Agency supply costs	791,494	791,494	744,844
	15,288,492	15,288,492	14,069,407
Total 2022	14,069,407	14,069,407	

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022 £
LGPS costs	18,000	18,000	116,000
Staff costs	3,271,972	3,271,972	3,433,457
Depreciation	124,490	124,490	194,677
Expenditure on church buildings	1,620,966	1,620,966	1,296,044
Recruitment and support	46,367	46,367	30,684
Maintenance of premises and equipment	365,418	365,418	291,592
Cleaning	469,935	469,935	442,714
Rent & rates	122,723	122,723	201,283
Light & heat	403,102	403,102	250,488
Insurance	117,762	117,762	91,900
Security & transport	60,635	60,635	48,383
Catering	824,423	824,423	622,013
Interest and charges	11,308	11,308	12,799
Computer costs	316,917	316,917	244,361
Printing, postage and stationery	133,750	133,750	113,707
Other support costs	336,550	336,550	316,059
Agency staff	104,403	104,403	94,521
Consultancy and support	154,437	154,437	121,171
Loss on disposal of fixed assets	3,844	3,844	-
Governance costs	42,117	42,117	46,731
	<u>8,549,119</u>	<u>8,549,119</u>	<u>7,968,584</u>
Total 2022	<u>7,968,584</u>	<u>7,968,584</u>	

The academy trust occupies land and buildings at a number of sites under the terms of Supplemental Agreements between The Brentwood Roman Catholic Diocese Trustee, the Secretary of State and the Academy Trust. The academy trust has the right to use the land and buildings of the Academies under a mere licence which transfers to the academy trust no rights or control over the sites save that of occupying it at will of The Brentwood Roman Catholic Diocese Trustee. Any expenditure incurred on the improvement of the land and buildings is therefore recognised as expenditure within 'Expenditure on church buildings' above, and is not capitalised as a leasehold improvement.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	124,490	194,677

12. Auditors' remuneration

	2023 £	2022 £
Fees payable to Xeinadin Audit Limited for the audit of the Academy's annual accounts	17,500	16,000
Fees payable to Xeinadin Audit Limited and its associates in respect of:		
All assurance services not included above	8,400	7,475
All non-audit services not included above	1,500	1,780

13. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	12,757,278	11,317,887
Social security costs	1,365,168	1,234,508
Pension costs	2,840,640	3,416,700
	16,963,086	15,969,095
Agency staff costs	895,897	839,365
Staff restructuring costs	-	19,176
	17,858,983	16,827,636

Staff restructuring costs comprise:

	2023 £	2022 £
Severance payments	-	19,176
	-	19,176

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

13. Staff (continued)

b. Severance payments

The Academy paid no severance payments in the year (2022 - 2), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	-	2
	<u> </u>	<u> </u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022 - £19,176).

d. Staff numbers

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

	2023 No.	2022 No.
Teachers	176	174
Support staff	208	180
Senior Leadership team	3	2
	<u> </u>	<u> </u>
	387	356
	<u> </u>	<u> </u>

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

13. Staff (continued)

e. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	19	15
In the band £70,001 - £80,000	9	5
In the band £80,001 - £90,000	3	3
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	-
In the band £130,001 - £140,000	1	1

f. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £212,786 (2022 - £293,692).

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

14. Central services

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

- Finance
- Governance support

The Academy charges for these services on the following basis:

2.00% of GAG allocation (excluding 16-19 bursary and High Needs Funding) for secondary schools and 2.50% of GAG allocation for primary schools.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
The Palmer Catholic Academy	150,558	141,106
Our Lady of Lourdes RC Primary School	43,852	43,580
SS Peter and Pauls Catholic Primary School	45,030	45,561
St Aidan's Catholic Primary Academy	34,058	36,288
St Joseph's Catholic Primary School (Barking)	37,249	42,841
St Joseph's Catholic Primary School (Dagenham)	46,180	47,431
The St Teresa Catholic Primary School	27,500	27,267
St Vincent's Catholic Primary School	29,124	-
Total	413,551	384,074

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

15. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2023 £	2022 £
Michael Corcoran (resigned 1 July 2023)		
Remuneration	110,000 - 115,000	130,000 - 135,000
Pension contributions paid	5,000 - 10,000	30,000 - 35,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

The total remuneration for Michael Corcoran is made up of his salary for duties as CAO being in the range £55,000 - £60,000 and his salary as Executive Head Teacher of three of the schools being in the range £55,000 - £60,000.

16. Trustees' and Officers' insurance

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

17. Net pension interest

	2023 £	2022 £
Interest income on pension scheme assets	506,000	182,000
Interest on pension scheme liabilities	(524,000)	(298,000)
	<u>(18,000)</u>	<u>(116,000)</u>

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

18. Tangible fixed assets

	Furniture & equipment £	Bicycles & PE Equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	270,925	3,000	509,704	783,629
Additions	29,568	-	101,273	130,841
Acquired on conversion	19,567	-	20,279	39,846
Disposals	(3,725)	-	(16,113)	(19,838)
At 31 August 2023	<u>316,335</u>	<u>3,000</u>	<u>615,143</u>	<u>934,478</u>
Depreciation				
At 1 September 2022	64,174	3,000	436,147	503,321
Charge for the year	26,091	-	98,399	124,490
On disposals	(1,281)	-	(14,713)	(15,994)
At 31 August 2023	<u>88,984</u>	<u>3,000</u>	<u>519,833</u>	<u>611,817</u>
Net book value				
At 31 August 2023	<u>227,351</u>	<u>-</u>	<u>95,310</u>	<u>322,661</u>
At 31 August 2022	<u>206,751</u>	<u>-</u>	<u>73,557</u>	<u>280,308</u>

The academy trust occupies land and buildings at a number of sites which are provided to it and owned by The Brentwood Roman Catholic Diocese Trustee ('the Site Trustee'). The academy trust occupies this land and buildings under the terms of Supplemental Agreements between the Site Trustee, the Secretary of State and the academy trust, which provide the academy trust with the right to use the land and buildings of the Academies for an indefinite period, subject to a 2 year termination notice period, which amounts to a mere licence. Having considered the fact that the academy trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence, which transfers to the academy trust no rights or control over the sites save that of occupying it at the will of the Site Trustee under the terms of the relevant site trust, the Trustees have concluded that the value of the land and buildings occupied by the academy trust will not be recognised on the balance sheet of the academy trust. Improvements to land and buildings occupied under such arrangements are recognised in expenditure.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

19. Stocks

	2023 £	2022 £
Stationery and uniforms	47,421	-

20. Debtors

	2023 £	2022 £
Due after more than one year		
Prepayments and accrued income	-	2,567
	-	2,567
Due within one year		
Trade debtors	6,856	43,014
Other debtors	761	13,238
Prepayments and accrued income	438,617	257,691
VAT recoverable	140,516	69,446
	586,750	385,956

21. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	25,126	25,127
Trade creditors	60,250	35,435
Other taxation and social security	315,332	296,511
Other creditors	333,647	310,313
Accruals and deferred income	961,606	495,380
	1,695,961	1,162,766
	2023 £	2022 £
Deferred income at 1 September 2022	248,609	177,005
Resources deferred during the year	309,728	248,609
Amounts released from previous periods	(248,609)	(177,005)
Deferred income at 31 August 2023	309,728	248,609

At the balance sheet date the academy trust was holding funds received in advance for Universal Free School Meals, rates relief and school trips for the next financial year.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

21. Creditors: Amounts falling due within one year (continued)

The loans due at the year end relate to previously completed capital projects. The loans comprise two salix loans and a CIF loan. The salix loans are interest free and the CIF loan attracts interest at a rate of 2.55% per annum.

The loans are to be repaid in equal instalments with final repayment dates of March 2028 and March 2031.

22. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	<u>186,563</u>	<u>187,710</u>

The loans due at the year end relate to previously completed capital projects. The loans comprise two salix loans and a CIF loan.

The salix loans are interest free and the CIF loan attracts interest at a rate of 2.55% per annum.

The loans are to be repaid in equal instalments with final repayment dates of March 2028 and March 2031.

Included within the above are amounts falling due as follows:

	2023 £	2022 £
Between one and two years		
Other loans	<u>25,126</u>	<u>25,124</u>
Between two and five years		
Other loans	<u>75,377</u>	<u>75,377</u>
Over five years		
Other loans	<u>86,060</u>	<u>87,209</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Payable or repayable by instalments	<u>86,060</u>	<u>87,209</u>
	<u>86,060</u>	<u>87,209</u>

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

23. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	631,131	696,052	(225,664)	(783,091)	-	318,428
Restricted general funds						
General Annual Grant (GAG)	706,941	18,106,816	(19,797,986)	1,846,176	-	861,947
Pupil Premium	-	853,713	(853,713)	-	-	-
Teachers Pension Grant	-	63,384	(63,384)	-	-	-
Teachers Pay Grant	-	4,258	(4,258)	-	-	-
UIFSM	-	297,354	(297,354)	-	-	-
PE & Sports Premium	-	129,940	(129,940)	-	-	-
Supplementary grant	-	489,932	(489,932)	-	-	-
Mainstream Schools Additional Grant	-	241,677	(241,677)	-	-	-
Other DfE/ESFA grants	-	17,218	(17,218)	-	-	-
Special educational projects	-	394,302	(394,302)	-	-	-
Early years funding	-	620,700	(620,700)	-	-	-
Other government grants	-	195,934	(195,934)	-	-	-
Catch-up/Recovery premium	-	136,799	(136,799)	-	-	-
Other Covid-19 funding	-	60,911	(60,911)	-	-	-
Other income	-	255,169	(255,169)	-	-	-
Pension reserve	(491,000)	(59,000)	(150,000)	-	239,000	(461,000)
	215,941	21,809,107	(23,709,277)	1,846,176	239,000	400,947

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

23. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Assets held for depreciation	280,308	-	(128,334)	170,687	-	322,661
Devolved capital and ASCF	-	239,858	-	(189,607)	-	50,251
CIF/SCA funding	1,147,311	627,401	-	(748,175)	-	1,026,537
Other capital funding	-	256,144	-	(256,144)	-	-
Academies joining the trust	-	39,846	-	(39,846)	-	-
	<u>1,427,619</u>	<u>1,163,249</u>	<u>(128,334)</u>	<u>(1,063,085)</u>	<u>-</u>	<u>1,399,449</u>
Total Restricted funds	<u>1,643,560</u>	<u>22,972,356</u>	<u>(23,837,611)</u>	<u>783,091</u>	<u>239,000</u>	<u>1,800,396</u>
Total funds	<u>2,274,691</u>	<u>23,668,408</u>	<u>(24,063,275)</u>	<u>-</u>	<u>239,000</u>	<u>2,118,824</u>

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

Unrestricted funds are applied to the general work of the Academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the Academy's fixed assets.

The academy trust does not recognise the land and buildings occupied on church land as a tangible fixed asset but rather expenditure on improvements are recognised through expenditure in the Statement of Financial Activities. The transfer from Restricted Fixed Assets to the Restricted expenditure on church buildings fund represents the amount of capital income spent on such improvements.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

23. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	1,205,311	408,403	(95,775)	(886,808)	-	631,131
Restricted general funds						
General Annual Grant (GAG)	527,764	16,769,550	(18,259,781)	1,669,408	-	706,941
Pupil Premium	-	743,869	(743,869)	-	-	-
Teachers Pension Grant	-	68,947	(68,947)	-	-	-
Teachers Pay Grant	-	24,402	(24,402)	-	-	-
UFSM	-	278,041	(278,041)	-	-	-
PE & Sports Premium	-	113,020	(113,020)	-	-	-
Rates Reclaim	-	72,115	(72,115)	-	-	-
Supplementary grant	-	190,625	(190,625)	-	-	-
Other DfE/ESFA grants	-	43,258	(43,258)	-	-	-
Special educational projects	-	356,947	(356,947)	-	-	-
Early years funding	-	287,948	(287,948)	-	-	-
Other government grants	-	31,767	(31,767)	-	-	-
Catch-up/Recovery premium	-	87,452	(87,452)	-	-	-
Other Covid-19 funding	-	104,086	(104,086)	-	-	-
Other income	-	111,056	(111,056)	-	-	-
Pension reserve	(6,708,000)	-	(1,070,000)	-	7,287,000	(491,000)
	(6,180,236)	19,283,083	(21,843,314)	1,669,408	7,287,000	215,941

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

23. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Assets held for depreciation	405,625	-	(194,677)	69,360	-	280,308
Devolved capital and ASCF	53,002	71,753	-	(124,755)	-	-
CIF/SCA funding	1,243,689	604,697	-	(701,075)	-	1,147,311
Other capital funding	24,087	2,043	-	(26,130)	-	-
	<u>1,726,403</u>	<u>678,493</u>	<u>(194,677)</u>	<u>(782,600)</u>	<u>-</u>	<u>1,427,619</u>
Total Restricted funds	<u>(4,453,833)</u>	<u>19,961,576</u>	<u>(22,037,991)</u>	<u>886,808</u>	<u>7,287,000</u>	<u>1,643,560</u>
Total funds	<u>(3,248,522)</u>	<u>20,369,979</u>	<u>(22,133,766)</u>	<u>-</u>	<u>7,287,000</u>	<u>2,274,691</u>

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

23. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
The Palmer Catholic Academy	1,627,661	1,209,198
St Aidan's Catholic Primary Academy	(495,594)	(364,447)
Our Lady of Lourdes	230,437	243,782
SS Peter and Pauls	253,998	379,259
St Josephs Barking	(1,048)	124,769
St Josephs Dagenham	188,118	179,830
The St Teresa	(175,116)	(124,396)
St Vincent's Catholic Primary	(50,440)	-
Central Trust	(397,641)	(309,923)
Total before fixed asset funds and pension reserve	1,180,375	1,338,072
Restricted fixed asset fund	1,399,449	1,427,619
Pension reserve	(461,000)	(491,000)
Total	2,118,824	2,274,691

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

	Deficit £
St Aidan's Catholic Primary Academy	495,594
St Josephs Barking	1,048
The St Teresa	175,116
St Vincent's Catholic Primary	50,440

The Academy is taking the following action to return the academies to surplus:

- Working on medium and long-term cost savings to ensure these academies return to a net surplus position in the near future
- Redeployment of staff to roles within the academy which enable significant additional income through the EYFS (Nursery)
- Changes to staffing structures and scales as part of the new recruitment process
- Overall reduction in spending for key areas between 2022-2023
- Engaging external School Resource Management Advisers for advice and support on budgets and spending during 2023-24
- Some of the significant deficit amounts relate to historic loans (pre The Good Shepherd Catholic Trust) which are being investigated by the academies and trust

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

23. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
The Palmer Catholic Academy	4,890,056	1,355,055	214,215	2,176,638	8,635,964	8,140,167
St Aidan's Catholic Primary Academy	1,215,630	208,503	42,703	542,319	2,009,155	2,540,776
Our Lady of Lourdes	1,495,431	313,092	95,599	986,881	2,891,003	2,561,265
SS Peter and Pauls	1,622,550	337,998	69,834	577,679	2,608,061	2,443,879
St Josephs Barking	1,009,980	279,437	24,076	641,633	1,955,126	1,990,948
St Josephs Dagenham	1,243,730	216,276	20,923	665,555	2,146,484	2,448,757
The St Teresa	992,308	150,539	20,262	362,378	1,525,487	1,293,789
St Vincent's Catholic Primary	1,072,288	230,240	19,613	322,228	1,644,369	-
Central Trust	144,157	180,832	-	198,147	523,136	519,508
Academy	13,686,130	3,271,972	507,225	6,473,458	23,938,785	21,939,089

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	322,661	322,661
Current assets	318,428	2,744,471	1,076,788	4,139,687
Creditors due within one year	-	(1,695,961)	-	(1,695,961)
Creditors due in more than one year	-	(186,563)	-	(186,563)
Provisions for liabilities and charges	-	(461,000)	-	(461,000)
Total	318,428	400,947	1,399,449	2,118,824

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	280,308	280,308
Debtors due after more than one year	-	2,567	-	2,567
Current assets	631,131	2,054,850	1,147,311	3,833,292
Creditors due within one year	-	(1,162,766)	-	(1,162,766)
Creditors due in more than one year	-	(187,710)	-	(187,710)
Provisions for liabilities and charges	-	(491,000)	-	(491,000)
Total	631,131	215,941	1,427,619	2,274,691

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

25. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(394,867)	(1,763,787)
Adjustments for:		
Depreciation	124,490	194,677
Capital grants from DfE and other capital income	(1,123,403)	(678,493)
Interest receivable	(34,629)	(1,091)
Defined benefit pension scheme obligation inherited	59,000	-
Defined benefit pension scheme cost less contributions payable	132,000	954,000
Defined benefit pension scheme finance cost	18,000	116,000
(Increase)/decrease in stocks	(47,421)	-
Increase in debtors	(200,794)	(33,915)
Increase/(decrease) in creditors	533,196	(308,508)
Fixed assets inherited on transfer in to trust	(39,846)	-
Loss on disposal of fixed assets	3,844	-
Net cash used in operating activities	(970,430)	(1,521,117)

26. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(1,148)	(1,148)
Net cash used in financing activities	(1,148)	(1,148)

27. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	34,629	1,091
Purchase of tangible fixed assets	(130,841)	(69,360)
Capital grants from DfE Group	1,123,403	678,493
Net cash provided by investing activities	1,027,191	610,224

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

28. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	3,505,516	3,449,903
Total cash and cash equivalents	3,505,516	3,449,903

29. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	3,449,903	55,613	3,505,516
Debt due within 1 year	(25,127)	1	(25,126)
Debt due after 1 year	(187,710)	1,147	(186,563)
	3,237,066	56,761	3,293,827

30. Contingent liabilities

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the ESFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the ESFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the ESFA.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

31. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £293,326 were payable to the schemes at 31 August 2023 (2022 - £282,615) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to 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 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £1,963,888 (2022 - £2,054,353).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

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

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

31. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,098,000 (2022 - £918,000), of which employer's contributions totalled £872,000 (2022 - £732,000) and employees' contributions totalled £226,000 (2022 - £186,000). The agreed contribution rates for future years are 26 per cent for employers and variable per cent for employees.

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

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

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.40	3.33
Rate of increase for pensions in payment/inflation	2.96	3.06
Discount rate for scheme liabilities	5.26	4.24

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

	2023 Years	2022 Years
Retiring today	20.8	21.4
Males	24.1	23.9
Females		
Retiring in 20 years	21.8	22.6
Males	25.3	25.5
Females		

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

31. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	9,408,000	8,102,000
Corporate bonds	959,000	873,000
Property	1,734,000	1,815,000
Cash and other liquid assets	143,000	(56,000)
Total market value of assets	12,244,000	10,734,000

The actual return on scheme assets was £40,000 (2022 - £-707,000).

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

	2023 £	2022 £
Current service cost	(1,003,000)	(1,686,000)
Interest income	506,000	182,000
Interest cost	(524,000)	(298,000)
Total amount recognised in the Statement of financial activities	(1,021,000)	(1,802,000)

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

	2023 £	2022 £
At 1 September	11,225,000	17,309,000
Transferred in on existing academies joining the trust	779,000	-
Current service cost	1,003,000	1,686,000
Interest cost	524,000	298,000
Employee contributions	226,000	186,000
Actuarial gains	(1,384,000)	(8,176,000)
Benefits paid	(209,000)	(78,000)
At 31 August	12,164,000	11,225,000

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

31. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	10,734,000	10,601,000
Transferred in on existing academies joining the trust	720,000	-
Interest income	506,000	182,000
Actuarial losses	(604,000)	(889,000)
Employer contributions	871,000	732,000
Employee contributions	226,000	186,000
Benefits paid	(209,000)	(78,000)
At 31 August	12,244,000	10,734,000

The Academy has an unrecognised surplus of £541,000 in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

32. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	84,872	86,523
Later than 1 year and not later than 5 years	59,197	77,220
Later than 5 years	40	-
	144,109	163,743

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2023 £	2022 £
Operating lease rentals	108,939	89,167

33. 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.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

34. Related party transactions

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

During the year, no transactions were undertaken with Fr. Andrew Headon, a trustee. The academy trust was invoiced £nil (2022 - £4,500) for management consultancy fees. At the balance sheet date no amounts were due to Fr. Andrew Headon (2022 - £nil). The academy trust entered into the transaction at arms' length. The academy trust has complied with the requirements of the Academy Trust Handbook.

A close family member of C Clerkin (a Trustee), is employed by the Academy Trust as a teacher. The staff member's appointment was made in competition and C Clerkin was not involved in the decision-making process regarding appointment. The staff member is paid a competitive salary for her role and received no special treatment as a result of her relationship.

35. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the trust received £15,336 (2022 - £12,614) and disbursed £9,965 (2022 - £19,730) from the fund. At the year end, an amount totalling £35,569 (2022 - £30,198) was due back to the ESFA and is included within other creditors above.

THE GOOD SHEPHERD CATHOLIC TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2023

36. Conversion to an academy

On 1 September 2022 the St Vincent's Catholic Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Good Shepherd Catholic Trust from the London Borough of Barking and Dagenham Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net loss in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

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

St Vincent's Catholic Primary School

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Furniture and equipment	19,567	19,567
Computer equipment	20,279	20,279
Current assets		
Debtors due within one year	13,217	13,217
Cash at bank and in hand	95,311	95,311
Liabilities		
Creditors due within one year	(100,162)	(100,162)
Pensions		
Pensions - pension scheme assets	720,000	720,000
Pensions - pension scheme liabilities	(779,000)	(779,000)
Net liabilities	<u>(10,788)</u>	<u>(10,788)</u>

