

# The Good Shepherd Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2019

# The Good Shepherd Multi Academy Trust

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# The Good Shepherd Multi Academy Trust

## Reference and Administrative Details

<b>Trustees (Directors)</b>	N Appleton, Chair (resigned 31 January 2019) P J Freeman, Vice Chair (acting chair from 1 February 2019) M Mill H J Clarke W M M Rayner The Venerable Doctor R D Pratt (resigned 24 November 2018) C McClean S Hughes A Martin The Venerable R Vernon (appointed 6 December 2018) P A Weedon (appointed 16 May 2019) R J A Petty (appointed 11 July 2019) Members are disclosed on page 3 of the accounts
<b>Chief Executive Officer</b>	C Render, (from 1 February 2019 by agreement with Wreay C of E School)
<b>Company Secretary</b>	A Gerke
<b>Senior Management Team</b>	C Render, Accounting Officer M Mill, Acting CEO & Accounting Officer (until 31 January 2019) A Gerke, Business Manager A Davies, Lazonby C of E School Head Teacher J Laker, Braithwaite C of E Primary School Head Teacher S Carrick, Ambleside C of E School Head Teacher O Harrison, Lorton School Head Teacher C Render & R Blake, Whitfield C of E Primary School & Dean C of E School, Joint Executive Head (by agreement with Wreay C of E School)
<b>Principal and Registered Office</b>	19-24 Friargate PENRITH CA11 7XR
<b>Company Registration Number</b>	09341374
<b>Auditors</b>	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

# The Good Shepherd Multi Academy Trust

## Reference and Administrative Details (continued)

### Bankers

CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
WEST MALLING  
ME19 4TA

Lloyds Bank Plc  
5-6 King Street  
PENRITH  
CA11 7AP

Cumberland Building Society  
15 Middlegate  
PENRITH  
CA11 7PG

# **The Good Shepherd Multi Academy Trust**

## **Trustees' Report for the Year Ended 31 August 2019**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust operated six small rural primary academy schools during the year, Lazonby C of E School, which joined on 1 February 2015, Braithwaite C of E School which joined on 1 September 2015, Ambleside C of E School which joined on 1 October 2015, Lorton School which joined on 1 March 2017, Whitfield C of E Primary School which joined on 1 September 2017 and Dean C of E School which joined on 1 February 2019. The academies have a combined pupil capacity of 634 and had a roll of 388 in the school census in January 2019.

### **Structure, governance and management**

#### ***Constitution***

The Good Shepherd Multi Academy Trust (hereafter referred to as The Trust) is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The company was incorporated on 4 December 2014. The company registration number is 09341374.

The Trustees of The Good Shepherd Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

The Trust delivers its aims through working with the Local Governing Body of each of its schools. More details about them can be found in the governance section.

#### ***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.

As recommended good practice and in accordance with the company's Articles of Association, independent Members of the Trust were appointed as follows:

The Right Reverend J Newcome (in his capacity as The Lord Bishop of Carlisle)  
Carlisle Diocesan Board of Finance (The Venerable Doctor R D Pratt is nominated by it for the purpose)  
M Wilson (in his capacity as nominated by the trustees of Carlisle Diocesan Board of Finance)  
Andrew Towner (in his capacity as Chairman of the Carlisle Diocesan Board of Education)  
N Appleton/ P Freeman (in their capacity as Chair of the Board of Trustees during the 18/19 academic year)  
N Robson

#### ***Trustees' indemnities***

The Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Trust purchased and maintained liability insurance for its Trustees through the Academy Risk Protection Arrangement.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### ***Method of recruitment and appointment or election of Trustees***

The members of The Trust appoint the Trustees, apart from co-opted trustees who are agreed by the directors. Up to three Trustees are appointed by the members from the Chairs of the Local Governing Bodies of the academies within the Trust. Agreement of appointment of Trustees by the members can take place at the AGM or by email circulation between times, in which case a response is required from all members to ratify the appointment.

There are two elements to the process for appointing Trustees.

Potential new Trustees need to be nominated for appointment by a member, or in the case of the 3 Trustees who are chairs of Local Governing Bodies, they need to be nominated by a Local Governing Body. This is done using the Trustee Nomination Form. Co-opted Trustees need to be nominated by another Trustee and should the Board agree to the co-option then consent needs to be sought from the Diocesan Board of Education.

All potential Trustees will be asked to attend an informal meeting. This is to allow both the candidate and the organisation to understand more about each other. The outcome of this meeting will be reported back to the Board and discussed.

In making recommendations to the AGM for new Trustees, or agreeing co-option of Trustees, the Board will be mindful of the following:

- that a range and mix of skills are represented at Board level
- take account of any gaps in skills and experience at Board level
- to achieve a diverse Board that will reflect equality of opportunity

### ***Policies and procedures adopted for the induction and training of Trustees***

The Board recognises that induction for new Trustees is essential in enabling them to become effective as soon as possible after taking up their role.

The Induction process has three parts:

Part 1 - Provision of key documentation to each new Trustee

The new Trustee will receive copies of key documents and information concerning the roles, responsibilities and practices of the Board (see below).

Part 2 - Meeting with the Chairperson and/or Chief Executive

The purpose of this meeting is for the new Trustee to have a briefing on the Trust and the work of the Board and its practices and procedures.

The Chairperson and/or CEO will provide a background to the role of Trustee and the responsibilities of this role. During the meeting the Chairperson and/or CEO will refer to the Governance Manual ensuring that the new Trustee understands the contents and any questions are addressed.

Part 3 - Introduction to the operational aspects of the organisation

The purpose of this activity is to provide the new Trustee with an understanding of the operational aspects of the Trust and the work of the central staff team.

This will include:

- a tour of the premises operated by the organisation
- introduction to the staff team
- introduction to the health and safety procedures for the office

Induction Records

In order to support the induction process and to inform the Board monitoring process, an induction record form will be completed once the induction process has been undertaken in full. The dates of completion should be inserted by the new Trustee and kept for examination during the monitoring process.

# **The Good Shepherd Multi Academy Trust**

## **Trustees' Report for the Year Ended 31 August 2019**

### ***Organisational structure***

The decision making process is one of delegation of responsibilities. The Board of Trustees has overall responsibility for the Trust. It makes decisions on strategic areas of delivery, policy development and adoption, budget setting and due diligence. It delegates the day to day running of the central administrative functions of the Trust to the new part time CEO (who is also the Accounting Officer) and the Business Manager. It delegates the day to day running of the individual schools, through an agreed Scheme of Delegation which itemises where the responsibility for decision making lies between the Trust, to the Local Governing Body and Headteacher/Executive Headteacher of each school.

### ***Arrangements for setting pay and remuneration of key management personnel***

The process for pay progression and salary levels for the head teachers is set out in the Teachers Pay Policy which is based on standard practice across schools and reflects the salary bands agreed at a national level by the unions.

The process for pay progression and salary levels for central Trust staff reflects standard practice used by Cumbria County Council that has been adapted by the Trust to make it fit for purpose.

### ***Trade Union Facility Time***

The Trust does not have any employee who is a trade union official.

### ***Connected organisations, including related party relationships***

The Diocese of Carlisle, through the Diocesan Board of Finance and The Diocesan Board of Education is the main connected party to the Trust. The Diocesan Board of Finance (DBF) is a registered company and charity and is responsible for transacting the financial business of the diocese and is also custodian trustee of many diocesan buildings including four of the five C of E academies in the Trust. The DBF appoints two members, the Diocesan Board of Education appoints one member and the Bishop of Carlisle is named as another. Any additional members need to be approved by the Diocesan Board of Education. The Members act as the conscience of the Trust and it is the members' responsibility to appoint the directors/trustees.

In addition the Diocesan Board of Education has the opportunity to appoint representatives from its Board to serve on each of the 3 sub committees of the Trust.

The Diocese of Carlisle supported the work of the Trust pre registration of the company and has allocated a grant towards central running costs which is drawn down according to need every year. The value of this grant was £16,000 in the 18/19 academic year. The Diocesan Director of Education, Michael Mill, worked as Acting CEO for the Trust from September to January approximately 2 days per week, but paid for by the Diocese. In the 18/19 academic year this is estimated to equate to donated services contribution of £11,982 by the Diocese to the Trust. From 1st February Michael Mill stepped down as Acting CEO and the Trust recruited and appointed Claire Render to the part time post, initially on secondment from Wreay C of E School. To support this appointment the Diocese made a financial contribution for the period February to August of £8,387. This represented a contribution of money towards 1 day per week of costs and was seen as a stepping stone of support towards the Trust employing the CEO directly. The Diocese have committed to a further payment in 19/20 for the period September to January of £5,991. The central Trust staff also occupy office space in the Diocesan Offices in Penrith and pay a proportional at cost amount for desk space in the building and other facilities.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

Kelsick's Educational Foundation is a registered charity and exists to provide financial support to individuals, schools and groups under the terms of the will of Ambleside's greatest benefactor, John Kelsick, who bequeathed land in trust in 1723 to provide education for the young people of the town. The foundation gives an annual grant to support Ambleside C of E School and is also the landlord of both Millan's Park Playing Field and the school playground on the opposite side of Vicarage Road.

Dean Educational Foundation is a registered charity and has the following objectives:

1. Assisting boys and girls for purposes of education other than elementary
2. Attending to health and physical condition of children attending public elementary schools.
3. Otherwise promoting the education, including social and physical training of boys and girls of the poorer classes.

The Foundation provides financial support to Dean C of E School as well as being the official custodian of some of the school building.

The Local Governing Bodies of both Lazonby C of E School and Ambleside C of E School maintain a "Governors Account" which is used to support education of the pupils and identified need.

Friends of Lazonby School, Friends of Ambleside School, Friends of Braithwaite School, Friends of Lorton School, Friends of Whitfield School and Friends of Dean School are the Parent Teachers Associations that fundraise on behalf of each of the schools and contribute towards requested identified expenditure.

Academies in the Trust work closely with local clusters of schools and within the County wide network known as the Cumbria Alliance of System Leaders (CASL) which is a company and charity. This supports joint working and support within schools and defined practices and structures to work with other schools and academies. The Trust is not formally represented on CASL. Michael Mill in his roles as Diocesan Director of Education and Trust director represents the interests of all diocesan schools and academies.

The Trust has a Conflict of Interest Policy which sets out how the Register of Interests works and the procedure for managing any conflict of interest in Board of Trustee meetings. The Trust maintains a central risk register and the LGB's maintain individual school risk registers.

### **Objectives and activities**

#### ***Objects and aims***

##### Objectives

The Company's object ("the Object") is specifically restricted to the following:

(a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- (ii) other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

(b) as ancillary to (a) and with the written agreement of the site trustees to promote for the benefit of the inhabitants of the areas served by the academies the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.



# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### Aims

#### Mission, Vision and Values

Our mission as a Trust is to support learning in the communities of Cumbria and neighbouring areas by providing high-quality educational opportunities and resources for those communities through the operation of academies. We will do this in collaboration with other like-minded organisations and community groups.

Our core aim is to provide all children with excellent educational provision within a caring and supportive ethos that is rooted in Christian values. We believe that every child has a right to educational excellence through high quality schooling. The success of pupils, in the broadest sense, lies at the heart of what we do.

We also aim to promote the provision of facilities for wider learning including recreation or other leisure time occupation for the benefit of the inhabitants of the areas served by our academies. We do this in the interests of social welfare and with the object of improving the condition of life of these inhabitants.

Our vision for education is that everyone should be able to 'have life in all its fullness'. This requires educating for wisdom, knowledge and skills, educating for hope and aspiration, educating for community and living well together and educating for dignity and respect as described in the Church of England Vision for Education, 2016.

Our vision as an organisation is to be driven by Christian values. We seek to ensure all our values drive the operation of the Trust from strategic governance through to the minutiae of daily activities.

Each of our academies has its own distinctive statement of its vision and values but collectively we value

- trustworthiness, honesty and openness,
- humility, empathy and forgiveness,
- social responsibility, good stewardship and sacrificial service.

We believe everyone is important and everyone has something to contribute. We believe those outside our academies are as important as those within and we value collaboration and mutual support. We believe that we are on a shared journey and should be there for one another so that no one need feel isolated. We seek to be responsive and adaptable to the needs and aspirations of all who join us on this journey.

We believe education has both immediate and lifelong relevance and thus school is as much about making the most of childhood and adolescence as it is about preparing best for adulthood. We commit ourselves to both.

### **Objectives, strategies and activities**

#### Composition, Governance and Structures

Due to the growth of our family and with the support of the Diocese, we successfully appointed a Chief Executive Officer on the 1st February 2019, (0.4-fixed term until February 2021). This appointment has further enhanced our leadership structure and grown our capacity, appropriate to the demands and needs of our academies.

With Dean C of E School joining as a sponsored academy in February 2019 we grew to six schools and at the start of the 19/20 academic year Wreay C of E School joined, bringing our total to seven schools within the Trust. In addition to Wreay in the 19/20 academic year we expect Gilsland C of E Primary School to join us as a re-brokered Single Academy Trust and Lamplugh C of E School as a sponsored academy. In advance of this growth, the schools of Wreay and Whitfield have been collaborating with Gilsland to form a North cluster. In the west of the Trust, Lamplugh would naturally work alongside Dean, Braithwaite and Lorton as a West cluster. Over time, it is anticipated that new clusters, containing geographically linked schools will develop, with the areas of the South Lakes and Eden featuring existing Trust schools such as Ambleside and Lazonby. Clusters could also develop centred around urban developments and centres of populations. Our aim is for each cluster to have targeted support through a named School Improvement Officer and Senior School Administrator.

We will allow our Trust governance structures to evolve and adapt in such a way as to support decision-making, accountability and collaboration at a local level. This may involve a tier of governance between that of the Trust Board and the Local Governing Body of each individual academy or combining LGB's of small schools. This will enable the Trust to continue to support learning flexibly across the region without becoming too cumbersome or too remote from its individual schools and the local communities.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

The locality approach, where by clusters are formed, means that there is no need to limit the size of our Trust. Thus we can genuinely offer a home for any church school in the diocese, plus as many other schools as wish to join us and are happy to sign up to our values and ethos.

Indeed as our family grows, our thoughts are to work on the basis of three locality areas across Cumbria/Northumberland in the North, West and South with one or more clusters in each of these localities. To support this structure, and offer CPD for our staff, we would then aim to recruit three Principals who will provide an oversight of all clusters in their locality and lead on a strategic Trust Wide priority, for example Inclusion, Governance or Quality of Education.

We recognise the diversity of the Cumbria/ Northumberland area of operation and the differing needs and contributions of academies related to their size, location and age phase and will ensure that our family is structured in a way that supports values and empowers, each one from the smallest village primary school to the largest urban secondary school. We will also seek opportunities to contribute to provision for those children and young people who have special educational needs. We aspire to set up new academies through the Free Schools or other programmes and will involve partnerships and collaboration with other education providers.

### Finance and Administration

We aim to be financially independent of the Diocese of Carlisle, self-supporting based on government recurrent funding plus conversion/sponsorship grants and sustainable due to reserves and additional income sources enabling us to navigate through challenging times and invest in more bountiful times. To achieve this we will need to increase in size by recruiting more schools, especially larger ones. The received wisdom is that a total of 3000 pupils are needed for full sustainability. We will be characterised as now by good stewardship that ensures resources are used to maximise the benefit to the pupils in our academies. Any reserves will be managed through prudent, low-risk and ethical investment. We will continue to improve the range and quality of services provided to our academies by the central service team (and any distributed parts of that unit) the next step in our growth is to directly employ our own School Improvement Officer who will provide expertise across the Trust.

### Educational Outcomes

The quality of education provision must be judged by national statutory measures including OFSTED judgements and SIAM's for Church Schools as well as by our own mission and values. In particular, we must ensure we focus on 'Life in all its Fullness' and thus consider the full breadth of the curriculum and pupil development in the broadest sense. We will develop a detailed framework for reviewing the quality of all our provision together with the tools necessary to collect the evidence to inform and support the judgements we make. This will involve all stakeholders. In order to meet our aspirations for the best possible educational experience for the pupils in our academies we will need to invest in our workforce, including those who support and advise academy leaders. We will need to face the particular challenges faced by very small rural schools in a harsh economic climate through structural, financial and social measures that provide the best opportunities for the continued provision of high quality education in those communities.

### Influence and Reputation

Through our partnerships with the Diocese, the University of Cumbria, other MAT's and other bodies we aim to be recognised as an innovative, research- informed, values driven, leading multi academy trust. We will continue to work with the DFE and Regional Schools commissioner (North) contributing to educational debate and policy making whilst enhancing our reputation. Our staff will be happy, professionally well developed and in demand for training and support to other MAT's and schools as we seek to share our growing expertise and experience with others for the overall benefit of learners everywhere. The parents of the children in our schools will be fully engaged and committed to the success of their school and the Trust and where appropriate we will draw on their expertise to further the work of the Trust and the development of clusters.

We will seek to share our resources in ways that will benefit all within our academies, clusters and localities. We will promote education and wellbeing for all and seek to ensure that within the Trust we have great schools at the heart of their communities.

## **The Good Shepherd Multi Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2019**

#### ***Public benefit***

The Trust seeks to benefit the public through the pursuit of its stated aims, activities and ethos in order to promote high quality education.

Our Schools welcome pupils from all backgrounds and are inclusive and committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability.

Our Schools are committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

# **The Good Shepherd Multi Academy Trust**

## **Trustees' Report for the Year Ended 31 August 2019**

### **Strategic Report**

#### **Achievements and performance**

The Trust is delighted to have one of its schools receive 'Good with outstanding features' following an Ofsted inspection. Ambleside was inspected early in the 18-19 academic year which moved them from 'Inadequate' to which was the first time the school had a 'Good' grading in 15 years! Again the report commented on the benefit and support the school had received by being part of the Trust.

During the academic year 2018-2019, there has been significant progress across our academies. Progress is measured in a number of ways but primarily through effective terms of reference for committees and by working towards clearly defined objectives and targets. This is supported in the data below, which demonstrates that the schools are performing well in most areas and that, in the Trust's fifth year, outcomes for our pupils have hugely improved at Key Stage 2. Attainment at KS2 for all Trust Schools in 2019 is higher than national average and also higher than in 2018.

The School Improvement Committee receives regular reports from the schools and consultants, enabling it to effectively monitor performance against agreed targets.

The success of the Trust depends upon the performance of its individual schools and the regular monitoring of school progress is crucial. External measures include outcomes at Ofsted and SIAM's. Progress is also measured through feedback. There is a clear, open and transparent opportunity for employees at school and Trust level to be given the opportunity to feedback on how the Trust is working in particular through a clearly defined review process. In addition to this, officers and directors will take opportunities to access informal feedback through their networks.

As a Trust we ran an all staff INSET Day on Mental Health (January 2019) this gave all Trust school staff the opportunity to learn more about the mental health agenda and meet with Directors, Headteachers and central trust to share their views and ideas. We also hosted a Head and Chair's Day (May 2019) which allowed LGB Chairs to take part in workshop discussions around parental engagement and share ideas on Trust strategic decisions for example logo and branding. The feedback from this event recognised the need to host this day annually.

The Trust has a very positive working relationship with the Department of Education and over the academic year 2018-2019, as a Trust we received a letter from the Regional Schools Commissioner, via the Archdeacon Richard Pratt, commenting on this positive relationship. The Department of Education visited Cumbria to meet and discuss with the CEO our growth plans and capacity in June 2019. They were impressed with the model of leadership structures and growth around clusters and could clearly see the North cluster developing as well as the idea of a west cluster. We are now recognised by the DFE as a growing Trust.

#### **How are outcomes measured nationally in the Primary KS2 SATs**

##### **Attainment**

This is the percentage of pupils in Year 6 achieving the 'expected standard' in English reading, English writing, grammar, punctuation, spelling and mathematics at the end of key stage 2.

Care must be exercised when interpreting percentages in the data that follows due to the small cohorts in our academies.

##### **Scaled Scores**

Children's results in each test are reported using a scaled score. A scaled score of 100 represents the expected standard for each test. If a child achieves a scaled score of 100 or more it means that the child is working at or above the expected standard in the subject. If a child achieves a scaled score of less than 100 it means that the child is working below the expected standard. The highest scaled score possible is 120, and the lowest is 80. The scaled scores are then converted to a progress score for each child by subtracting the child's predicted scaled score, based on prior attainment at KS1, from the child's actual scaled score. A school's scaled score will be taken as an average of all the eligible pupils' scaled scores in the year group.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### Strategic Report

#### Pupils' Average Progress

Progress scores are centred around 0, with most schools within the range of -5 to +5. A score of 0 means pupils in this school on average do about as well at KS2 as those with similar prior attainment nationally.

A positive score means pupils in that school, on average do better at KS2 as those with similar prior attainment nationally.

A negative score means pupils in that school, on average do worse at KS2 as those with similar prior attainment nationally. A negative score does not mean that pupils did not make any progress; rather it means they made less progress than other pupils nationally with similar starting points. For example, if a school has a maths score of -4 this would mean that on average pupils in this school achieved 4 scaled scores less than other pupils nationally with similar starting points.

It should be noted none of our Trust schools are below the floor standard which is the minimum standard for pupil attainment and/ or progress that the government expects schools to meet.

#### Attainment

KS2 Attainment Overview 2019 (also includes 2018 for comparison) - Trust Individual Schools and Aggregate, Compared with Schools Nationally and Cumbria Schools

School/ Cohort 2019	Reading, Writing & Maths at Least Expected Standard 2019	Reading, Writing & Maths at Least Expected Standard 2018	Reading at Least Expected Standard 2019	Reading at Least Expected Standard 2018	Writing at Least Expected Standard 2019	Writing at Least Expected Standard 2018	Maths at Least Expected Standard 2019	Maths at Least Expected Standard 2018	GPS at Least Expected Standard 2019	GPS at Least Expected Standard 2018
Ambleside Cohort: 11	73% (67%)	50%	81% (75%)	81% (56%)	100% (75%)	88% (73%)	73% (83%)	56% (56%)	64% (75%)	75%
Braithwaite Cohort: 10	80% (90%)	53%	90% (90%)	73% (73%)	90% (90%)	53% (60%)	80% (90%)	73% (73%)	80% (90%)	47%
Dean Cohort: 12	66%		100%		75%		92%		100%	
Lazonby Cohort: 13	77% (85%)	38%	85% (92%)	50% (78%)	92% (85%)	100% (78%)	77% (85%)	50% (89%)	92% (85%)	50%
Lorton Cohort: 13	69% (64%)	63%	85% (64%)	88% (75%)	69% (73%)	53% (75%)	85% (82%)	88% (75%)	85% (73%)	75%
Whitfield Cohort: 6	33% (50%)	75%	67% (50%)	75% (75%)	67% (50%)	75% (75%)	33% (50%)	100% (75%)	33% (50%)	75%
GSMAT Cohort: 65	69% (78%)	53%	86% (81%)	75%	82% (79%)	75%	77% (84%)	69%	82% (81%)	61%
National	65%	64%	73%	75%	78%	78%	79%	76%	78%	78%
Difference GSMAT/Nat.	+4%	-11%	+13%	0%	+4%	-3%	-2%	-7%	+4%	-17%

(percentages are rounded; green highlight indicates outcomes are at or above the school's target; blue highlight indicates outcomes are below the school's target. Green text indicates outcomes are at or above national average; red indicates outcomes are below national average)

**Please note** that Dean CE Primary School joined the Trust after targets were set, however Dean's outcomes are recorded in the tables.

Aggregate attainment at KS2 for all Trust schools in 2019 is higher than national average and also higher than Attainment in 2018. The schools agreed targets with school improvement partners in all four subjects (in brackets) and this was converted into aggregate targets for the Trust as a whole.

The Trust as a whole met or exceeded targets in three out of the four subjects and was only seven percentage points below target for Maths.

Targets have already been agreed with all schools for the 2020 KS2 SATs. Progress towards these targets will be revisited at least termly when School Improvement Partners visit the schools.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### Strategic Report

#### Progress

##### Trust Schools and Aggregate Progress 2018 & 2019

(Average progress would be 0.0; green highlight shows at or above average; yellow shows below average but still above "floor")

School (cohort)	Progress Reading	Progress Writing	Progress Maths
Ambleside (11)	-0.5	+1.7	+0.6
Braithwaite (10)	+0.3	-2.9	-3.6
Dean (12)	+2.2	-2.9	+0.1
Lazonby (13)	-1.2	+1.4	-0.1
Lorton (13)	+4.4	-0.8	+1.3
Whitfield (6)	+2.2	+2.8	-4.4
Aggregate (65)	+1.2	-0.3	-0.6

Improved attainment overall for the Trust reflects good progress in most subjects and most schools.

Reading continues to be a strength, with Writing improved on 2018 and Maths slightly below average.

#### Individual schools

Progress is positive or very close to 0.0 (average) for most schools, although progress in Writing at Braithwaite and Dean is lower than in the other schools and progress in Maths at Braithwaite and Whitfield is lower than the other schools. These subjects are a focus for improvement in the schools concerned.

Lorton's good progress in reading needs to be matched, in 2019, by good progress in writing. This will continue to be a focus for improvement.

Lazonby's progress in Reading needs to match the good progress in writing; this will also be a focus for improvement.

## The Good Shepherd Multi Academy Trust

### Trustees' Report for the Year Ended 31 August 2019

#### Strategic Report

Key Stage 1 Subject Results 2019 (also includes 2018 results for comparison)

School/ Cohort 2019	Reading at Least Expected Standard 2019	Reading at Least Expected Standard 2018	Writing at Least Expected Standard 2019	Writing at Least Expected Standard 2018	Maths at Least Expected Standard 2019	Maths at Least Expected Standard 2018
Ambleside Cohort: 15	73% (75%)	77%	60% (75%)	66%	73% (75%)	66%
Braithwaite Cohort: 5	80% (80%)	33%	80% (80%)	33%	80% (80%)	33%
Dean Cohort: 10	60%		50%		60%	
Lazonby Cohort: 15	47% (73%)	80%	47% (73%)	73%	60% (73%)	67%
(60%)Lorton Cohort: 5	40% (80%)	77%	40% (60%)	56%	60% (60%)	67%
Whitfield Cohort: 3	100% (100%)	86%	100% (100%)	100%	100% (100%)	86%
GSMAT Cohort: 53	55% (72%)	77%	57% (70%)	70%	68% (74%)	67%
National	75%	74%	69%	70%	76%	76%
Difference GSMAT/Nat	-20%	+3%	-12%	0%	-8%	-9%

(percentages are rounded; green highlight indicates outcomes are at or above targets; yellow or red indicates outcomes are slightly below or below targets; targets are based on pupils' prior attainment)

The text in the bottom column indicates below (red text) or above (green text) national average.

Strong KS1 attainment at Braithwaite and Whitfield and close to average KS1 attainment in two out of three subjects at Ambleside is counterbalanced by below target outcomes in Lazonby and Lorton. With Lazonby having the largest cohort (15 pupils) the effect on the GSMAT overall outcome is great. Lazonby and Lorton have a focus on KS1 attainment, particularly in Reading and Writing, for 2019 - 2020. In maths, however, only Whitfield and Braithwaite are above national average; this reflects, to some extent, the maths picture at KS2 and schools will have a strong focus on the teaching of maths in the current academic year. The Trust averages for KS1 are all significantly higher than in 2017, because the cohorts which underachieved were small (e.g. only 3 children in the Braithwaite KS1 cohort).

# The Good Shepherd Multi Academy Trust

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#### School Annual Reports

In addition to the narrow range of national measures of attainment, we value children's development and achievements in the broadest sense through the richness of educational experiences our schools offer. The best way of giving context to the work of the Trust is therefore to highlight some of the activities undertaken in our six schools, so a report from each of them follows:

##### Ambleside C of E School

Our big news this year is that we had our latest SIAMS inspection and we received a 'Good' judgement. We were especially pleased with the comments that showed how caring our pupils were towards each other, confirming what a lovely school we have.

School now owns its own minibus, complete with Ambleside CE Primary School logo. Partly paid for with Sports Funding, we have been able to much more easily and safely transport the children to a multitude of events such as educational visits and sporting competitions. We have also been able to transport staff to training sessions.

A practical demonstration of following the Trust's ethos of valuing everybody in it, the Local Governing Body decided to spend the school capital allocation on refurbishing the terribly tired staff room. This was very important for staff well-being. The staff now have a beautiful sanctuary where they can take time out from the hustle and bustle, or work in a peaceful and calm environment.

At the request of the children, we have recently changed our school uniform from navy and grey to red and black. The children took their request to the school council and after consultation and a long thought process, we introduced it in September. The children wanted a brighter, more cheerful uniform. One comment made by a volunteer when we visited church was that they looked like little robins. How lovely.

We are currently developing our curriculum to include environmental and sustainability issues wherever we can. We are looking to incorporate these issues into as many subjects as possible and to have a practical way forward to show our children how we can make a difference to our planet.

##### Braithwaite C of E Primary School

During the school year 2018/19 we have been building on our 'good' Ofsted and started a review of the curriculum to include Forest Schools and more opportunities for outdoor learning from September 2019. This has meant looking for funds to develop an area in the school grounds and we have been successful in doing so. We had an early boost from the Tesco Bags for schools scheme which resulted in a donation of £1000 and then applied for a Big Lottery Grant which was just under £10000. With some additional funding the work has been completed over the summer of 2019 and is now in use for the start of the school year 2019/20. As well as the work to create an area in the grounds, there has also been training to undertake and 2 staff members and one parent volunteer started the Forest schools level 3 training in June 2019 with an intensive 5 day course; work on their portfolios now begins with an assessment week in June 2020.

There have been a lot of other activities that children and staff have been involved in during 2018/19:

- Tour of Britain - at the start of the school year we were fortunate to see the 'Tour of Britain' bike race, not once but twice, first taking older pupils up to Whinlatter to see the time trial finish and then the following day watching the bike race come through the village. It was an exciting and eventful first week of term!
- 'Active Art' - the school worked together to make a Christian values tree which looks stunning in our front entrance hall. Active Art helped us to use the work of Gustav Klimt as an inspiration for both the tree itself (along which each of the school's chosen Christian values are written) and for each leaf, one from each pupil in the school.



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- Young Voices - Key Stage 2 pupils travelled to Manchester Arena in February 2019 to take part in a fabulous concert with thousands of other schools. We worked hard to learn all the song words and dances and had a great time! This was followed up by a further concert in Keswick when we joined with all the other Keswick schools to perform the songs from the concert.
- Eycott Hill - over the year our Year 5 and 6 pupils worked with Prism Arts and Cumbria Wildlife Trust to put together a vibrant performance of a story they created, inspired by the tropical sea that once covered the landscape at Eycott Hill. This was performed on the 'hill of dreams' at the wildlife reserve for parents and visitors to enjoy.
- Catbells class creates museum exhibition - our Y2/3/4 pupils used their WW1 topic to create an exhibition at Keswick Museum and Art Gallery, part of the school and museum's focus on marking 100 years since the end of World War 1 in November. The whole school joined other schools in the Keswick area in marking 100 years by all meeting on the station and walking down to join in the public service at the war memorial on 11.11.18. We popped in to see the finished exhibition
- A variety of other trips and visits including a whole school visit to Cockshot Woods to try some Forest Schools activities, Catbells class walking around the village to pick up litter, a whole school WW1 theme day at Hawes End, a trip to the Theatre by the Lake to see 'Beauty and the Beast' and further visits to Keswick Museum, to see the Derwentwater exhibition and also to work with Amy's Care.
- We all took part in the whole school production of Dragon Days in the summer term, another highlight of the year, and we were very proud of everyone who took part. This was supported by the Braithwaite Panto group who had recruited extra pupils, and a staff member, to take part in 'Wizard of Oz' earlier in the year.
- We learnt about life cycles by caring for caterpillars which became cocoons and emerged as butterflies and incubated eggs til the chicks hatched.
- Throughout the year we have dressed up for World Book Day and had a 'Mad Hair day'; we've raised money for Comic Relief, Save the Children, Friends of Braithwaite School and Children in Need; we've had a 'Messy Church' Advent morning in school and taken part in the Keswick Christmas Tree Festival.
- Sports events have included Hi 5 Netball, Hockey competitions, Cricket, Athletics, Summer touch rugby exhibition matches and of course Sports Day. Year 5 and 6 pupils also enjoyed trying orienteering and a range of adventurous activities in the summer term with indoor climbing building skills and confidence for a later ghyll scramble and a 'Lazy tubing' session too. Year 6 girls were particularly successful getting through to the County Cricket finals and then coming second! We are very fortunate to continue to have access to the Holiday Property Bond's swimming pool (opposite the school) for weekly swimming lessons.
- We've had success in competitions involving painting, drawing, photography and story writing.
- We've continued to extend the range of after school clubs to include everything from cookery to drama, cricket to rugby, art to ICT, yoga to Mandarin.

Through all of this we have worked hard to continue to raise standards, particularly through focusing on maths mastery and writing across the curriculum as well as pupils' reasoning and questioning skills. We have made a big effort to raise our profile in the community, particularly through positive use of social media to share all the good things going on day to day - do take a look at our Facebook page and website to see more of what we get up to.

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#### Dean C of E School

Dean C of E Primary School joined the trust as a sponsored academy on 1st February 2019. The school had received an inadequate grade at its last Ofsted inspection in May 2018 and a temporary Headteacher was put in place by the Local Authority for the Autumn term 2018. Claire Render and Rob Blake took on the Executive Headteacher role from January 2019 for a period of two terms whilst a longer term leadership and school staffing structure were put into place (now operating from September 2019).

Pupil numbers vary from cohort to cohort across the school - with a PAN of 15 some year groups are 18 whilst others are 6. The school is structured in 4 classes: EYFS with 2 year old provision, Year 1 / 2 and 2 Key Stage 2 classes (Y3/4/5 and Y6 in 2018/19 but Y3/4 and Y5/6 from September 2019). Improved teaching and learning has resulted in much better end of Key Stage, phonics and Foundation Stage Profile data for summer 2019.

Staff have had intensive and targeted CPD across 2018-2019, particularly with Safeguarding and Health & Safety, to tackle the school's weaknesses around the effectiveness of safeguarding identified by OFSTED. Teaching staff have also worked hard to ensure the school's curriculum meets all statutory requirements, identifying appropriate schemes of work for MFL, music and computing in particular, and developing effective medium term plans. There has been a focus on the planning and teaching of writing in particular to ensure pupils have the chance to study good examples of a text type and then to develop the skills needed to improve their writing of the identified genre.

Dean enjoys very positive community and parental support and this has continued since conversion. The pupils are well behaved and the school is a calm and friendly environment. The school runs a parents and toddlers group, Dean Ducklings which is well attended by approximately 11 families per week on average.

Activity across the school included:

- Good links with the local church include church led 'Experience' activities with classes for key events including Easter and Pentecost. Regular school services are held in the church.
- The school is embedded within the local community and hosts regular community lunches.
- Strong support from the PTA who have organised various events over the year including a school fair, disco and film night.
- The parents are regularly invited into school for parent lunches, to participate in the World Book Day creating a 'potato book character and other activities'.
- The school works with Cockermouth School as part of the Sports Partnership and attends events and festivals organised by the Cluster. Upper Key Stage 2 attend regular events with different departments at Cockermouth School including the Science and Art departments. There is also positive liaison with Cockermouth School to ensure a smooth transition for Y6 pupils.
- Year 2/3/4 pupils went on a one night residential visit to Bassenfell Manor in the Spring term and were joined by Y1 pupils for the day. This focused on outdoor and adventurous activities. Year 5 and 6 pupils travelled to Edinburgh for a city residential during the summer term when they visited different venues including Dynamic Earth, Mary Kings Close and the Bank of Scotland.
- The children enjoy regular WOW days as part of their half-termly topics. These days included visits to Castlerigg Stone Circle, trip to Wasdale to plant rushes with the Rivers Trust, Tullie House, Carlisle Castle, open water swimming at Windermere and Derwent Pencil Museum.
- The children participated in various activities and event to raise money for various charities including Children in Need, Cash for Kids and a school in Africa.
- The KS2 school production in the summer term was Rock Bottom and it was lovely to see pupils really enjoy taking part in this.

# The Good Shepherd Multi Academy Trust

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Due to budget constraints and a restructure, there were staffing changes which took effect from September 2019 and so the school said goodbye to a number of staff at the end of the summer term. During the summer holidays a lot of work was done by the Early Years and staff team, led by Mrs Cowper, who moved across from Braithwaite to lead the Early Years team, to review and rearrange the Early Years provision inside and outside. The school benefited from a grant of £5,500 towards equipment and resources for outdoor learning from 'Potato Pot' (funded by local windfarms) and this all needed assembling and organising. The school is very grateful to the local volunteers who helped with this as well as the staff who went 'above and beyond' in their summer holidays to make sure the Early Years Unit was ready for the start of the autumn term. With a stable leadership and staff team in place, Dean C of E Primary School is now continuing to move forward positively with the support of the Trust, in order to provide a rigorous and consistent education for the pupils in the school along with a range of diverse, broad experiences that will help ensure they are rounded citizens with the skills and confidence to succeed in life in the 21st century. We look forward to continuing with our mission 'Loving to Learn, Learning to Love' for the families of Dean and surrounding villages.

#### Lazonby C of E School

When we reflect upon this year there are many examples where our children, parents, staff and members of our community have flourished. As we developed our mission statement it was really important to us that our children become life-long learners, and that we support, care and encourage others as part of a loving family. We feel that this Church of England's vision for education should reflect in what we do here in Lazonby, with the verse of John 10:10 'Living life in all its fullness' being at the forefront of what we are trying to achieve.

We continue to build links with our community, both our neighbouring schools, our church and further afield. At Harvest we donated many items to the food bank in Penrith. At Christmas we sang for our local community which included businesses, shops and our local residential home.

We have strong links with our cluster of schools participating in extra activities in sport such as cycling, swimming, football, netball, rounders as well as spelling bees! We continue to work collaboratively with our cluster schools, where staff meet to develop their practice further, moderate and support each other in their roles. This year Lazonby organised for our cluster to visit the Houses of Parliament, the London Eye and various famous landmarks all in a day. This is something that is being repeated this academic year but for all our Good Shepherd Trust schools.

Our secondary schools continue to work alongside us, we help and support each other in many ways. This year students from Ullswater Community College came and rebuilt part of our drystone wall that had fallen down.

One of our focuses for this year has been to raise the profile and develop strategies to help our children with mental health. We have included yoga sessions in PE, mindfulness activities and trained staff in mental health first aid training. We have promoted cycling and walking to school, encouraged children to take part in Park Run as well as other physical activities promoting healthy life styles. In May of this year 5 members of staff took to their bikes and rode the C2C from Workington to Tynemouth. They raised over £1,200 with half going to MIND and half going towards mental health resources in school.

Our residential program from Year 1 to Year 6 is taken up by every child. This year we went to Ennerdale Scout Centre with Years 3, 4, 5 and 6. All of the activities were organised by members of staff who either led these themselves or by qualified instructors. This year we introduced a camping element to our residential with the Year 6 children and some staff sleeping under canvas. This is something that will be repeated next year. As we have a swimming pool in our village we continue to promote developing their swimming skills and we also took a group to Lake Windermere to learn how to be safe in the lake. We feel this is particularly important as we have the river Eden at the bottom of our village.

We now have a four class structure as numbers have risen. To link in with our ethos, we renamed our classes: Explorers (EYFS), Discoverers (Year 1 and 2), Creators (Year 3 and 4), and Adventurers (Years 5 and 6). We are able to support classroom support for each of the classes, where we are able to focus on individuals, paired work and small group work. We continue to run a breakfast and afterschool club throughout the year.

We now have a new Vicar and Curate who are working with our school as part of the mission communities. They work closely with our staff and children and we have no doubt this will be developed further this next year. Our Year 6 leavers joined in the leaver's service at Carlisle Cathedral and we now hold a service on the last Friday of each half term at our church.

We are ever grateful for the support and guidance that we get from members of the Trust, including those in the central offices, as well as our School Improvement Officer. The wealth of knowledge that is shared with us enables us to thrive as a school, which in turn enables everyone to flourish.

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#### Lorton School

Staffing at Lorton remains the same for this academic year with all staff working together to provide fantastic opportunities for all our pupils.

Mrs Henderson is a fully fledged EYFS moderator and has enjoyed visits to other schools and is able to bring back some innovative ideas.

After many years of fundraising, our lovely new adventure play area was opened in March 2019. It is better than we expected and children of all ages are able to enjoy it. Several children who often struggled to keep themselves busy at each playtime, are never off the equipment.

Wordsworth House Art Exhibition - to raise funds for the play area, FOLS and the school worked together on an art exhibition at Wordsworth House. Children all contributed a piece of work which was framed and available for parents to bid on. Local artists also donated pieces of art and these were secretly bid on. We raised over £2000 and appeared on Border News!

Outdoor Active Art - working with one of our parents who is a part of 'Active Art', the children worked together on the study of an artist and created an outdoor art installation. It is a tree which the children all did a part of, and leaves (every child did their own leaf). It stands proudly on the wall as you come into the yard. A very welcome addition to a very dull wall! We look forward to completing more projects with Active Art in the coming year.

Annual Traditions:

- Our traditional annual Buttermere residential Yr 3- Yr 6.
- Each class having the opportunity to work with Helen's Herbs on plant, grow and cook sessions. (1 class each term). Thanks to a community grant, we are able to do this again this year.
- Continuation of whole school theme days
- Annual Christmas Tree Trip - Reception and Year 1.
- Year 4 - Yr 6 Keswick Theatre Trip.
- Reception and Year 1 / Years 2/3 Christmas Storyteller
- Christmas Concert
- Yr 3 - Yr 4 Skiddaw Residential.
- Yr 5 - Yr 6 Barcaple Residential
- Sports Day.
- Several days across the year working with our National Trust Warden in our fabulous surroundings.
- Family Rounders and BBQ night

#### Whitfield C of E Primary School

The new school year began after a busy summer holiday, with lots of work completed in school as we developed our environment. Staff at school worked extremely hard over the summer holidays to further improve Whitfield, improvements which included a new PE store area, a shelving area which houses the reading books and new IT equipment, server with shared drive and finally two large skips of rubbish removed from the site.

It was a busy autumn term with Harvest, open afternoons, parent evenings, R & KS1 visit to a production called 'The Worm', a performance, written by the children of Christmas around the World, a Christmas carol concert, Robin Hood in panto, Christmas Jumper Day and Christmas Sparkle day, with all children benefitting from the community activities as it gave them opportunity to perform and share their learning with a wide number of adults.

The newly elected School Council met during the year and were full of ideas to further improve the daily running of the school. They continue to be a real asset and help and are responsible for running the school shop every Friday and arranged a talent show in the spring term.

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Other activity over the year includes:

- We began working with WE charity this year. From a presentation the children learnt about various concerns around the world and by voting decided to raise money to help children trapped in child labour.
- Speakers from the charity Barnardos held a talk on Domestic Violence for Upper Key Stage 2 children.
- A visit from the Peace of Mind charity in Gateshead. This charity supports women refugees fleeing for safety and it was excellent for the children to hear from two families of refugees first hand
- A visit from Jack Bridge who is a Paralympic swimmer and he was incredibly inspiring. The visit was sponsored and we raised an amazing £463.10 for Inspired Through Sport charity.
- A visit from a lecturer at Northumbria University gave children had the chance to look at a variety of wild flowers under a microscope and learn all about the importance of bees
- We celebrated World Book Day with costumes and lots of reading.
- The children brought some fantastic homework projects to school included a friendship rabbit who had little drawers full of relaxing oils, a fully working wooden catapult, several volcanoes that erupted on the field, a design for a whale that will travel the seas to scoop up and recycle plastic en-route and many, many more fabulous imaginative projects.
- We held our annual Candlemas service and an Easter celebration service at St John's Church. The Easter celebration was followed by a family Easter Egg Hunt in the school grounds.
- Yr4 went to Wastwater for the annual residential, and R, Yr1 & Yr2 went to Killhope Mining Museum the whole school went to the Roman Army Museum and Vindolanda
- We had a cricket roadshow in school and we have achieved the Bronze School Games mark
- During KS2 assessment week we were mindful of children's well-being and put in extra support
- Year Six leavers enjoyed the Diocesan Leaver's Service

Staff training activity has included whole staff training on Prevent and training on middle leadership and a whole Trust inset day. All our staff benefitted from networking with staff from other Trust schools and spending time considering the mental health needs of the children in our schools. Head of School Katherine Ayre was able to give a presentation on our work with Growth Mindset as a tool for supporting mental health of staff and pupils.

The Friends group met to begin the work on the Woodland Classroom and the hope is to create a space where we can take lessons outside. We have continued working with parents who now are much more engaged and willing to support work at home than when we began, and we are pleased that we have so much investment in our ethos at Whitfield.

We had an audit from the SEN team at NCC and we were highly praised for our inclusive ethos and the safe and calm atmosphere in school. We also experienced the first external judgement of how far we have come, since opening in September 2017, with our SIAMS inspection which gave our children to showcase their knowledge of values and how to live 'life in all its fullness'. The inspector was very impressed with the depth of the answers the children gave him. The school achieved a 'Good' judgement.

At the end of the year we did a whole school production of Brundibar. The children in drama club co-wrote the play script based on the book of the same name. Some of the parents taught themselves new instruments just to play the music (written by a parent) in the production. The children made many of the props in Enrichment and they really owned the production. It was an amazing learning experience for them, and a really good community event.

We continue to celebrate our fantastic children and wonderful community, and expect our Ofsted inspection this coming year to highlight the unique qualities of Whitfield Church of England Primary School.

#### **Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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#### ***Key non-financial performance indicators***

Progress within the organisation will be measured in a number of ways but primarily through effective terms of reference for the committees and working towards clearly defined objectives with outcomes. Alongside the development of the Church of England's Vision for Education (for all schools not just church schools) the Trust continues a process of reviewing and updating the strategic priorities, which will provide a re-focus on key performance indicators in each area.

In addition, the success of the Trust will depend upon the performance of individual schools and the regular monitoring of school progress will be crucial. Each school is visited on a termly basis by a Trust School Improvement Consultant and reports submitted to Trust meetings, in particular the assessment of the predicted outcomes for Early Years development, phonics and SATs results at year 2 and 6. Consultants now have clear agendas for schools that ensure full coverage of key performance and activities such as safeguarding.

A system of monitoring meetings is in place and where necessary achievement is being assessed down to individual child level to ensure significant measurable progress is being made to improve exam outcomes.

There will be an expectation for former Church Schools within the Trust that SIAM's outcomes will be at least good. We are delighted that Whitfield and Ambleside achieved 'Good' in their SIAMs inspections. (June 2019)

We also expect all our schools to be at least good and aspiring for outstanding within the Ofsted framework. We are therefore really pleased that in the 18-19 academic year Ambleside were inspected by OFSTED moving from 'Inadequate' to 'Good with Outstanding features'. (September 2018)

In the 19-20 academic year Lorton and Whitfield will both be in the window for OFSTED inspection, having being part of the Trust since March 2017 and September 2017 respectively.

As a Trust in the academic year 18-19 we grew with Dean joining 1st February 2019, this allowed our leadership structure model to acquire another Executive Head teacher thus building capacity. The leadership model further grew with the appointment of a Chief Executive Officer 1st February 2019 (fixed term)

In the 19-20 academic year we aim to increase our capacity with the use of The Trust Capacity Fund (TCaF), this fund allows successful Trusts to grow by converting and improving weaker maintained schools or adding vulnerable academies to their trusts and improving them.

#### **Financial review**

The main source of income into the schools within the Trust is the General Annual Grant (GAG) received from the Education and Skills Funding Agency (£1,815,919) which supports the educational aims of the Trust. As you can see from the accounts, this represents 66.2% of the Trusts total income in the year of £2,744,060. More about the activity of the Trust can be found elsewhere within the report.

The Trust was successful in March 2017 in being awarded a £70,000 Sponsor Capacity Grant and a £70,000 MAT Growth Grant both part of the Regional Academy Growth Fund from the DfE. The fund is a restricted grant and was delivered across 2 academic years, affecting the surplus /deficit across the 2 year ends. The overall aim of the Regional Academy Growth Fund is to support successful trusts to grow and improve standards in underperforming schools. The grants continued to support the work of the Development Officer and are now fully spent.

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The income within the "other trading activities" includes a number of elements as follows:

- the wrap around care that the schools offer through the before and after school clubs that they run. These clubs offer parents flexible childcare options and help support the sustainability of pupil numbers.
- a number of fundraising activities are undertaken by the schools through their school shop and other services that they offer.

The income generated from all the activities is then used to support the educational aims of the Trust.

The income and support that each of the schools, and the Trust as a whole, receive through the work of their Parent Teacher Associations/ Friends of Groups and the Local Governing Bodies is invaluable in the delivery of the organisation's educational aims.

The Trust was approved as sponsor for Dean C of E School in July 2018 and have received a sponsored School Grant for them, which has continued to be spent over the 18/19 academic year. Dean were also successful in obtaining a £65,680 grant from the DfE Condition Improvement Fund for the Boiler Replacement project and also a £5,498 grant from the Potato Pot Fund that they used for Early Years equipment.

Lorton and Braithwaite were successful in applying for grants through the National Lottery Community Fund - Awards for All with Lorton receiving £10,000 towards their new play area equipment and Braithwaite receiving £9,985 towards their Forest Schools project

As a fully sponsored school Whitfield were awarded a Start Up Grant A & B. The school anticipate spending these grants over a 3 year period.

The Trust was successful in applying for and receiving an Emergency Funding Grant of £10,800 for our work supporting Gilsland C of E School. Spend of this grant straddles the 2 academic years.

Wreay C of E School agreed to become a converter academy and opted to pay the £25,000 conversion grant into the Trust bank account in advance of their conversion, to be used by the school to fund their conversion costs.

It should be noted that the receipt of the CIF, Start Up Grants and Sponsored School/ conversion grants in advance of spend mean that the Trust had an inflated bank balance at the end of the academic year.

We are pleased that all schools within the Trust are developing unrestricted surpluses and have operated better than budget over the year, due to ongoing prudent management and efficient budgeting. This puts them in a better position to manage unforeseen events and changes in pupil numbers, which can have such a big impact on the sustainability of small rural primary schools. The details of this can be found within the reserves policy.

We were also pleased that the outturn for the central Trust was also better than budget, but it has however been necessary to ask the Diocese of Carlisle to support the operation of the central Trust with a donation of £16,000 from the ring fenced allocation to cover the majority of the in year deficit of central Trust operations (excluding pension provision.)

Total expenditure over the year has been £2,726,416.

The pension deficit for the Local Government Pension Scheme inherited through the transfer of staff on TUPE from the schools is detailed within note 24. Whilst this has a negative impact on the balance sheet figures with the agreement of the Department for Education to underwrite any liability in the event of the cessation of the Trust, and the pension scheme continuing to operate and have members, the possibility of the liability crystallising is very remote.

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### Strategic Report

#### **Reserves policy**

As a small Multi Academy Trust, comprising for the purposes of this report six small rural primary schools, the opportunity to develop and invest reserves (unrestricted funds that is freely available to spend on any of the charities purposes) is limited. However as detailed in future plans in order to be sustainable the Trust needs to grow and take on more schools.

In setting a reserves policy the Trustees are mindful of the fact that they need to ensure continued delivery of the charitable aims whilst making sure that they have enough money set aside to deal with unforeseen circumstances and to support the Trust's development.

It is therefore the intention of the Trust in the longer term to achieve a level of reserves that would allow it to:

- Retain three to six months central operating costs
- Develop and explore innovative opportunities for educational excellence and enable sharing across the Trust
- Support employment scenarios that are difficult to manage within individual school budgets such as redundancy scenarios, long term sick issues
- Support emergency building works and development opportunities that are unsuccessful in obtaining ESFA or other external funding but that are considered by the Trustees to be important projects for the sustainability of the school
- Offer targeted support for identified academic performance issues and enable intervention independent of the individual school budgets.

Individual schools will develop reserves within the budget setting to enable them to:

- Effectively manage pupil number fluctuations that impact on class sizes / arrangements that make amalgamating year groups difficult.
- Effectively manage potential staffing changes, including redundancy costs, as a result of the reduction in pupil numbers
- Develop targeted support for identified pupils that do not receive additional funding
- Deliver identified one off projects (that may also take longer than an academic year to develop enough funds for) such as:
  - Refurbishment projects not fundable through other sources to enhance provision at the school
  - Capital Projects that require match funding
  - Identified bespoke delivery that is over and above normal school activity and that enhances the educational provision
- Fund unforeseen expenditure

Schools should aim to establish restricted reserves equivalent to 10 - 12% of annual income unless they were planning for specific scenarios/projects, in which case the reserve target could be increased.

The generation of free reserves by the schools from other activities, in addition to the restricted reserves, will be encouraged and supported.

The reserves policy will be reviewed annually.

At the year end, the Trust held free reserves for Lazonby C of E School of £39,264, Braithwaite C of E Primary School of £53,176, Ambleside C of E School of £30,100, Lorton School of £55,856, Whitfield C of E Primary School £18,612, Dean C of E School £4,699 and centrally held a further £30,770. More details can be found in note 16.



# The Good Shepherd Multi Academy Trust

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### Strategic Report

#### *Investment policy*

The Good Shepherd Multi Academy Trust was established by The Diocese of Carlisle to run schools in Cumbria. In this context, the purpose of an Investment Policy is to protect, as far as possible, the funds of the Trust held on deposit, against the failure of one or more financial institution and to limit from an ethical point of view where those funds are maintained. The policy does not provide for any facility to make risk-based investments such as gilts (ie stocks and shares).

The Trust aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Trust aims to invest surplus cash funds to optimise returns, but ensure the investments are such that there is no risk to the loss of these funds. The principals of these investments will be in line with the current Church of England Investment and Ethical Policy statements which excludes investment in activities that are materially inconsistent with Christian values.

#### **Purpose of the Policy**

- To ensure adequate cash balances are maintained in the current accounts to cover day-to-day working capital requirements.
- To ensure there is minimum risk of loss in the capital value of any cash funds invested.
- To optimise returns on invested funds.

#### **Background**

The Good Shepherd Multi Academy Trust is a limited company with charitable status. Multi academy trusts are able to make investments and these investments can be a good source of funding, but can expose the Trust to risks.

Any financial investment should be taken to obtain the best financial return with the level of risk considered to be acceptable. The Charity Commission (see Charities and investment matters: a guide for trustees; Published 1 October 2011) advises that trustees have several legal responsibilities when making financial investments.

#### Trustees must:

- Know and act within their Trust's powers to invest.
- Exercise care and skill when making investment decisions.
- Select investments that are right for the academy. This means taking account of:
  - How suitable any investment is for the Trust.
  - The need to diversify investments.
  - Take advice from someone experienced in investment matters unless they have good reason for not doing so.
  - Follow certain legal requirements if they are going to use someone to manage investments on their behalf.
- Review investments periodically.
- Explain their Investment Policy in their annual report.

Trustees must be clear about what they aim to achieve through financial investment. They must consider exactly what they want to do, how they intend to do it and what the timescale will be. They must also consider the Trust's long and short-term financial commitments as well as its expected income.

# **The Good Shepherd Multi Academy Trust**

## **Trustees' Report for the Year Ended 31 August 2019**

### **Strategic Report**

#### **Risk**

All investments are usually associated with a certain degree of risk. Consequently, trustees must do all they can to manage risk levels.

Trustees must consider the level of risk they are able to accept.

They must be satisfied that the overall level of risk they are taking is appropriate for the Trust.

Prior to any decision to invest, regular monitoring of cashflow and current account balances must be in place to ensure immediate financial commitments can be met; and that the current accounts have adequate balances to meet forthcoming commitments.

The Trust will always be cautious with public money with which we are entrusted. It is the Trustees' aim to invest any money that is not required to cover anticipated expenditure and take steps to manage the risk associated and with financial investments.

#### **Implementation**

The Trust currently holds all its main deposits as cash balances at the bank. The Trust uses CAF Bank (also known as Charities Aid Foundation Bank). The decision to use this bank was made for a number of reasons. CAF Bank only operates bank accounts for charities and not for profit organisations.

CAF Bank gifts any profits it makes from its operations to Charities Aid Foundation which supports individual charities to make their money work harder for the benefit of the charitable sector as a whole.

CAF do not charge the Trust for having a bank account with them, other than for large numbers of cash or cheque deposits (which is standard across the industry).

The Trust also operates a bank account directly linked with an individual school. This is to enable ease of access to the account and a means of depositing cash in the rural area the school operates in. The decision to maintain an account like this is taken on a school by school basis. Money is not allowed to accrue in these accounts and is regularly transferred into CAF bank.

The Trust will construct such budgets and cash flow forecasts as are required to ensure the viability and sustainability of its activities and to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.

From time to time, operational and strategic decisions will result in substantial cash balances at the bank over a sustained period. Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested only in the institutions in Appendix A.

Prior to investing funds, The CEO must be satisfied that the cash flow predictions are accurate and that the amount/time period of the investment will not compromise the viability and sustainability of the activities of the Trust.

**The Good Shepherd Multi Academy Trust**  
**Trustees' Report for the Year Ended 31 August 2019**

**Strategic Report**

**The principles which the Board of Directors will adopt are as follows:**

Where practicable the reserve is invested in tranches of up to £75,000.

Consideration should be given to investing each £75,000 tranche in a different authorised institution (see Appendix A)

The Trust will not place cash assets in shares, bonds or other such investment schemes.

**Monitoring and evaluation**

Periodically the interest rates being achieved will be reviewed and will be compared with other alternative investment opportunities that comply with the parameters of this policy.

The Chief Executive Officer (as Accounting Officer) and Trust Finance Officer are responsible for ensuring this policy is adhered to.

A schedule of current investments, including current account balances and cashflow forecasts will be reported at Trust Finance Committee meetings.

**Review**

The Trust Finance Committee will carry out a review of this policy on a regular basis to ensure that any new or changed legislation is adhered to.

Any change in policy requires the approval of the Trust Board via the Trust Finance Committee.

**Appendix A**

CAF Bank  
HSBC Plc  
The Cumberland Building Society  
CCLA  
National Westminster Bank Plc  
Lloyds Bank Plc  
Virgin Charity Accounts

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### Strategic Report

#### *Principal risks and uncertainties*

The Board of Trustees operate a risk register that is reviewed and updated (if necessary) at each Board meeting. The risk register identifies those risks which the Trust is exposed to and details action taken to mitigate those risks.

Below is an overview of the 7 red risks currently identified and the process for managing these risks.

The principal risk to the success of the Trust that has the most financial exposure is the failure to recruit enough schools to the Trust to enable it to become sustainable. With a large number of small rural schools as actual or potential members of the Trust, and with income being proportional to the number of pupils but costs proportional to the number of schools, the point at which the Trust becomes sustainable is difficult to define. To mitigate this risk we need to ensure the success of the Trust and subsequent close monitoring of performance, work with the DfE so a consistent message given to schools, undertake marketing - targeting schools to visit and encourage schools within the Trust to spread the message.

Key staff turnover is another high risk. With all the schools being small as well as the central staff team, key staff leaving could have a big impact and result in difficult interregna. There is also a recognised difficulty in Cumbria recruiting to leadership posts. The Trust is therefore working on developing a supportive and innovative senior management structure which has succession planning at its core.

Failure to maintain an effective Board comprising directors of appropriate calibre and skills has also been identified as a key risk. Nigel Appleton the Chair of Trustees resigned on 31st January 2019 and Patrick Freeman has been acting Chair since then. We have managed to recruit 2 new directors, Pam Weedon & Richard Petty both of whom have extensive education experience. We are however short of 2 LGB Chair directors. We have extended the offer to attend Board meetings to all LGB Chairs, as observers, and hope that this may encourage them to consider being a Trust director. The Trust and its directors continues therefore to work with the DFE, Academy Ambassadors and other partners to identify potential new directors.

With the recruitment of a part time CEO following the Diocesan Director of Education for the Diocese of Carlisle reducing his hours and the financial support offered by the Diocese for a year to support this, 2 new risks have been identified, that of Capacity of part time CEO and length of CEO contract and resources needed. The new Business Development & Communications Committee are working hard developing the message, considering barriers and targeting the recruitment activity of new schools into the Trust.

Changes to academy funding, linked with continued increase in costs and the government policy on education funding in general, including the introduction of the National Funding Formula, all have an impact on our schools and the sustainability of the Trust as a whole. To continue to mitigate the impact as far as practically possible, the Trust and its school actively manage the spend and are continuing to explore opportunities for reducing cost.

We have also increased one of our identified risks, ie that of unexpected results, ie pupil outcome results not adequately predicted/ not met agreed target. The school Improvement committee has put together an action plan which includes staff support & performance management targets, setting targets effectively monitoring and reporting by SI officers.

The other potential risks that the Trust faces are as follows:

- Not enough good and outstanding schools join to get the right balance
- Logistical difficulties of co-ordination and engagement as schools have a wide spread across the county
- Failure to manage health and safety and GDPR responsibilities
- Increase in costs make financial incentives to convert less favourable
- Trust unable to demonstrate effectiveness in supporting School Improvement (SI)
- Ineffective monitoring & challenge
- Level of pension liability becomes unaffordable

These risks are managed through a combination of review, monitoring, engagement, budget review, understanding of the risk and succession planning.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### Strategic Report

#### Fundraising

The Good Shepherd Multi Academy Trust does not undertake any formal fundraising activity on behalf of the whole organisation, nor does it undertake any direct marketing.

However the individual schools do sometimes undertake fundraising activity in the form of events (fun run, cake stall etc) as they feel appropriate. All fundraising activity is closely monitored by the Headteachers and Local Governing Bodies in each school and conforms to recognised standards. Should there ever be any issues complaints will be dealt with using the Trust Complaints Policy.

All Trust schools receive money from the linked "Friends Of" groups which is generated through the fundraising efforts of these groups.

#### Plans for future periods

In addition to the continued maintenance and enhancement of the activities of the Trust and its academies as identified elsewhere in this document, the Board plans to develop the Trust as follows over the coming year.

Under the oversight of the School Improvement Committee, to:

- To tailor school support visits for challenge and development, offering bespoke support to address identified areas for improvement on one of three termly visits (2 accountability; 1 support and development)
- To focus on provision and outcomes for SEND and disadvantaged children in our Trust schools, identifying and sharing good practice and supporting schools where needed.
- To ensure all Trust schools have a broad and balanced curriculum with clearly sequenced learning; all Trust schools will achieve a "Good" judgement on "Quality of Education"

Under the oversight of the Personnel Committee, to:

- Align administration structures to MAT (teaching, learning & leadership) staffing model. Showing opportunity for staff development and succession throughout the MAT.
- Develop effective reporting systems for impact of Equality objectives throughout the trust. Ensure that all schools understand and live by the ethos, values and impact on personnel within the trust (whether child or adult).
- Focus to be given to KPI's of the trust to help deliver effective bids/grant applications/ income streams based around project proposals; e.g. School improvement lead role in developing MAT growth or Middle leadership networks to encourage staff to work as part of the MAT family.
- Understand and promote staff perspectives (Employer Brand) of joining the Good Shepherd MAT- "why do I join or want to develop as part of the MAT?"

Under the oversight of the Business Development and Communications Committee, to:

- Bring more schools into the Trust family.
- Further raise the profile of the Trust and its academies through external communications that celebrate the activities of the Trust and promote the benefits of being part of the Trust.

Under the oversight of the Finance Committee, to:

- Develop a set of performance indicators for the financial and administrative aspects of the Trust that will enhance the ability of the Board and officers to judge the effectiveness of business operations.
- Further develop the internal audit process that tests the Trust's internal controls, compliance and effectiveness in order to support business processes as the Trust grows.
- Explore, develop and/ or recommend opportunities for income generation including such things as selling services, associate membership and investment opportunities

Each of these committees will be responsible for reporting back to the board.

# The Good Shepherd Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2019

### Strategic Report

#### Auditor

Insofar as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 12 December 2019 and signed on its behalf by:

.....  
P J Freeman  
Trustee

.....  
C Render  
Chief Executive Officer

# The Good Shepherd Multi Academy Trust

## Governance Statement

### Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Good Shepherd Multi Academy 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.

M Mill up until 31 January 2019 and then Claire Render from 1 February 2019, acted as Accounting Officer for the Trust. The Board of Trustees has delegated the day-to-day responsibility to the 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 Multi Academy Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
N Appleton	3	3
M Mill	5	6
P J Freeman	5	6
H J Clarke	6	6
S Hughes	3	6
W M M Rayner	6	6
C McClean	4	6
A Martin	4	6
The Venerable Doctor R D Pratt	1	1
The Venerable R Vernon	3	5
P A Weedon	1	2
R J A Petty	0	1

The Board of Trustees comprised of 8 people on incorporation. Within the Memorandum and Articles of Association it is detailed that 3 directors will be appointed from the Chairs of Local Governing Bodies of the academies within the Trust. During the 18/19 academic year there were 2 vacancies for an LGB director with the other seat being represented as follows:

- Simon Hughes – Joint Chair Lorton School

The Trust continues to work directly with its schools to fill the LGB director vacancies and has also instigated a link director role, where schools have a named director they can engage with.

As the Trust develops it will take every opportunity to review its activity and to complete an audit, with input from internal Trust staff and directors as well as external advisers experienced in Multi Academy Trust operations, strategy and governance.

The directors contribute to an annual skills audit to identify any gaps or weaknesses in the make up of the Board.

With the changes in directors on the Board over the academic year a number of gaps have been identified. The Board therefore welcomed Pamela Weedon and Richard Petty as director with educational/ school improvement experience. There is still an identified gap for a Chair, Patrick Freeman having stood in as Acting Chair since Nigel Appleton left on 31st January 2019, which we are currently working to fill.

# The Good Shepherd Multi Academy Trust

## Governance Statement (continued)

### Finance Committee

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the Board and senior staff in the performance of their duties and in accordance with agreed delegations to determine, or to advise the Board with regard to:

- effective management of the organisations finances
- review and approval of annual budget and period and financial management accounts
- review of Audited Accounts
- review of internal audit and controls
- risk review and monitoring
- top slice retention and reserves policy
- approval of forward investment plans and capital expenditure
- review of significant contractual issues or authorisations
- compliance with Companies House and Charity Commission legislation
- Audit Committee functions as outlined by the ESFA

As agreed by The Board of Trustees, Ric Jaques, Head of Finance for the Diocese, is also a member of the committee as well as 3 Trust directors.

Attendance at finance committee meetings during the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
N Appleton	1	1
W M M Rayner	2	3
M Mill	1	3
A Martin	3	3
The Venerable Doctor R D Pratt	0	1
R Jaques (non-trustee)	3	3

### Local Governing Bodies

The Local Governing Body within each school operates as a sub committee of the Board of Trustees. The purpose of the Local Governing Body is to play a crucial role in both supporting and challenging, acting as critical friend to the schools senior leadership team. They are a vital component in demonstrating the effective leadership of the school and are a key part of the governance arrangements of the Trust.

The make up of the Local Governing Body and the delegation of responsibility is controlled by the Board of Trustees through a Scheme of Delegation which is reviewed and agreed each year. The Trust promotes the principle of "Supported Autonomy" and the Scheme of Delegation reflects the level of support each academy requires from the Trustees and the Trust as a whole.

Attendance at Local Governing Body meetings and sub group meetings by the members of those groups is monitored by the Trust and the individual schools. Membership of the Local Governing Bodies and attendance at meetings can be found via a link from the Trust website or on the individual school websites.

### Review of value for money

As Accounting Officer, M Mill (until 31 January 2019) and C Render (from 1 February 2019) has responsibility for ensuring that the 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 achieved in return for the taxpayer resources received.

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



# The Good Shepherd Multi Academy Trust

## Governance Statement (continued)

The Trust through the year has improved the use of resources to deliver better value for money. We continue to review suppliers to attain the best services we could and negotiate better price quotes from companies.

Having a director with links to the University of Cumbria enables us to secure advice and good practice at no cost to the Trust.

The Diocese of Carlisle has a number of school effectiveness consultants. By using this resource we have been able to ensure better value for money as we were able to access specialist advice and good practice tailored to the Trust.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

In addition to the internal control processes the Trust has been working on developing and implementing its internal audit/ scrutiny system. The Trust Finance Policy has therefore been revised and updated and a reporting framework agreed.

### Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ending 31 August 2019 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- a comprehensive finance manual giving detailed descriptions of processes and expectations for all staff involved in any elements of the finance management;
- regular and detailed budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees and the LGB's of the individual schools;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

In updating & developing the Internal audit/ scrutiny process and based on the size, complexity and level of risk for the Trust, the Board of Trustees has decided that delivery of this will initially be via either of the 2 following options:

- appointment of a non-employed trustee or other committee member with relevant qualifications and/or experience
- a peer review performed by the CFO or other member of the finance team, from another academy trust.

# The Good Shepherd Multi Academy Trust

## Governance Statement (continued)

The internal reviewer's role includes giving advice on potential improvements to systems and processes and performing a range of checks. An annual report summarising the areas reviewed, key findings, recommendations and conclusions is then produced. For the 18/19 academic year the annual report included information and oversight of the following areas:

- Testing of creditor management procedures
- Testing of debtor management procedures
- Testing of expenses system
- Testing of supplier statement management process

In addition to the formal testing the annual report included an overview of activity by the SLT and the standing committees in the management of other areas of risk that could be included in an internal scrutiny process, but by virtue of the size of the Trust are not currently part of its formal process. These are identified within the EFSA guidance as areas to be considered and include safeguarding and whistleblowing, efficiency activity, data and IT issues, governance structures etc.

On an annual basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

There were no material control or other issues reported by the Board of Trustees to date.

### Review of effectiveness

The Accounting Officer 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 peer reviewer;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 12 December 2019 and signed on its behalf by:

.....  
P J Freeman  
Trustee

.....  
C Render  
Chief Executive Officer

## **The Good Shepherd Multi Academy Trust**

### **Statement on Regularity, Propriety and Compliance**

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

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

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.

.....  
C Render  
Accounting Officer

12 December 2019

# The Good Shepherd Multi Academy Trust

## Statement of Trustees' Responsibilities

The Trustees (who act as the governors of The Good Shepherd Multi Academy Trust and 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 Annual Accounts Direction published by the Education & 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in 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 the 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 on 12 December 2019 and signed on its behalf by:

.....  
C Render  
Chief Executive Officer

# The Good Shepherd Multi Academy Trust

## Independent Auditor's Report on the Financial Statements to the Members of The Good Shepherd Multi Academy Trust

### Opinion

We have audited the financial statements of The Good Shepherd Multi Academy Trust (the 'Trust') for the year ended 31 August 2019, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust trust's affairs at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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

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

We have nothing to report in this regard.

# The Good Shepherd Multi Academy Trust

## Independent Auditor's Report on the Financial Statements to the Members of The Good Shepherd Multi Academy Trust (continued)

### 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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

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

### Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 34), the Trustees 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

## **The Good Shepherd Multi Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of The Good Shepherd Multi Academy Trust (continued)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Trust to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Trust audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the Trust's Trustees, 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 Trust's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Martin S Ward (Senior Statutory Auditor)  
For and on behalf of Dodd & Co Limited, Statutory Auditor

FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW

12 December 2019

## **The Good Shepherd Multi Academy Trust**

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

In accordance with the terms of our engagement letter dated 10 December 2014 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Good Shepherd Multi Academy Trust during the period 1 September 2018 to 31 August 2019 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 Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to The Good Shepherd Multi Academy Trust and the 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 Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 29 January 2015 and the Academies Financial Handbook extant from 1 September 2018, 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 2018 to 2019. 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 from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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 Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

- enquiries of the accounting officer and reviewing the statement on regularity, propriety and compliance provided by the accounting officer
- investigating whether any special payments to staff have been made, including compromise agreements and severance pay
- reviewing transactions with related parties and ensuring the requirements of Part 3 'Delegated authorities' of the Handbook have been followed
- reviewing minutes of meetings to ensure sound governance is applied
- evaluation of the internal control procedures in place, including systems of delegation and authorisation
- evaluating systems of procurement and ensuring they adhere to the limits set by the academy and the ESFA.



## **The Good Shepherd Multi Academy Trust**

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

#### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....  
Martin S Ward  
For and on behalf of Dodd & Co Limited, Chartered Accountants

FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW

12 December 2019

## The Good Shepherd Multi Academy Trust

### Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	111,900	52,469	142,264	306,633
Transfer from local authority on conversion		-	3,766	14,168	17,934
<i>Charitable activities:</i>					
Funding for the Trust's educational operations	3	-	2,247,959	-	2,247,959
Other trading activities	4	170,889	-	-	170,889
Investments	5	645	-	-	645
<b>Total</b>		<b>283,434</b>	<b>2,304,194</b>	<b>156,432</b>	<b>2,744,060</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Trust's educational operations	7	274,714	2,288,117	163,585	2,726,416
Net income/(expenditure)		8,720	16,077	(7,153)	17,644
Transfers between funds		(22,471)	(22,631)	45,102	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(277,000)	-	(277,000)
Net movement in (deficit)/funds		(13,751)	(283,554)	37,949	(259,356)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2018		246,228	(284,929)	721,179	682,478
Total funds/(deficit) carried forward at 31 August 2019		<u>232,477</u>	<u>(568,483)</u>	<u>759,128</u>	<u>423,122</u>

## The Good Shepherd Multi Academy Trust

### Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	64,708	77,971	128,476	271,155
<i>Charitable activities:</i>					
Funding for the Trust's educational operations	3	-	2,041,149	-	2,041,149
Other trading activities	4	132,287	-	-	132,287
Investments	5	265	-	-	265
<b>Total</b>		<b>197,260</b>	<b>2,119,120</b>	<b>128,476</b>	<b>2,444,856</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Trust's educational operations	7	126,817	2,115,291	203,784	2,445,892
Net income/(expenditure)		70,443	3,829	(75,308)	(1,036)
Transfers between funds		571	(80,768)	80,197	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	108,000	-	108,000
Net movement in funds		71,014	31,061	4,889	106,964
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2017		175,214	(315,990)	716,290	575,514
Total funds/(deficit) carried forward at 31 August 2018		246,228	(284,929)	721,179	682,478

# The Good Shepherd Multi Academy Trust

(Registration number: 09341374)  
Balance Sheet as at 31 August 2019

	Note	31 August 2019 £	31 August 2018 £
<b>Fixed assets</b>			
Tangible assets	13	711,315	692,810
<b>Current assets</b>			
Debtors	14	144,522	136,702
Cash at bank and in hand		<u>773,607</u>	<u>743,936</u>
		918,129	880,638
Creditors: Amounts falling due within one year	15	<u>(298,322)</u>	<u>(330,970)</u>
Net current assets		<u>619,807</u>	<u>549,668</u>
Total assets less current liabilities		<u>1,331,122</u>	<u>1,242,478</u>
Net assets excluding pension liability		1,331,122	1,242,478
Pension scheme liability	24	<u>(908,000)</u>	<u>(560,000)</u>
Net assets including pension liability		<u><u>423,122</u></u>	<u><u>682,478</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		(568,483)	(284,929)
Restricted fixed asset fund		<u>759,128</u>	<u>721,179</u>
		190,645	436,250
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>232,477</u>	<u>246,228</u>
Total funds		<u><u>423,122</u></u>	<u><u>682,478</u></u>

The financial statements on pages 40 to 69 were approved by the Trustees, and authorised for issue on 12 December 2019 and signed on their behalf by:

.....  
P J Freeman  
Trustee

.....  
C Render  
Chief Executive Officer

## The Good Shepherd Multi Academy Trust

### Statement of Cash Flows for the Year Ended 31 August 2019

	Note	31 August 2019 £	31 August 2018 £
Net cash outflow from operating activities	19	(29,174)	(47,756)
Returns on investments and servicing of finance	20	645	265
Capital expenditure and financial investment	21	<u>58,200</u>	<u>83,209</u>
Increase in cash in the year		29,671	35,718
Cash and cash equivalents at 1 September		<u>743,936</u>	<u>708,218</u>
Cash and cash equivalents at 31 August	22	<u><u>773,607</u></u>	<u><u>743,936</u></u>

# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1 Accounting policies

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

#### **Basis of preparation**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### **Conversion to an academy**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from a school into the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in [(for net gain) Donations - transfer from local authority on conversion/ (for net loss) Charitable activities - transfer from local authority on conversion] in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the notes.

#### **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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Income**

All incoming resources are recognised when the Trust 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 period is deducted from income and recognised as a liability.

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

# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 1 Accounting policies (continued)

#### **Sponsorship income**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

#### **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 period it is receivable and to the extent the Trust has provided the goods or services.

#### **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

#### **Transfer on conversion**

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

#### **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

#### **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.

All resources expended are inclusive of irrecoverable VAT.

#### **Expenditure on raising funds**

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

#### **Charitable activities**

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

# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 1 Accounting policies (continued)

#### Tangible fixed assets

Assets costing £2,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land	Not depreciated
Buildings	50 years straight line basis / over the term of the lease
Fixtures and fittings	3 or 5 years straight line basis
ICT equipment	3 years straight line basis
Furniture and equipment	3 years straight line basis
Vehicles	3 years straight line basis

Excluding Lorton School and Whitfield C of E Primary School, the school buildings used by the academies within the Trust are not owned by the Trust. No formal lease is in place, and no rent is due as part of an agreement with the custodian trustees. As such, no buildings are required to be capitalised in accordance with the Academies Accounts Direction 2018/19.

Lorton School uses a building held under 125 year lease with Cumbria County Council. In accordance with the Academies Accounts Direction 2018/19 this building has been capitalised and depreciated over the term of the lease. Braithwaite C of E School also uses a school field held under 125 year lease with Cumbria County Council. Whitfield C of E Primary School uses a building held under 20 year lease with The Whitfield Estate Trust. This building has been included as an operating lease at £nil committed cost in accordance with the lease terms. Dean C of E Primary School uses school playing fields held by The Dean Educational Foundation with no formal lease in place and £nil committed cost. Ambleside C of E Primary School uses school playing fields held by the Kelsick's Educational Foundation with no formal lease in place and £nil committed cost.

As no lease is in place for the other school buildings, the arrangement should be disclosed as a short term lease with a market value rent. The Trustees believe this to be £nil due to the restrictions on the buildings use, therefore no rent has been disclosed in the accounts.

#### Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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



# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 1 Accounting policies (continued)

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

#### 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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

#### Taxation

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

#### Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24 the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 1 Accounting policies (continued)

#### Fund accounting

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

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

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

#### Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2019 £	Total 2018 £
Educational trips and visits	-	40,487	-	40,487	39,555
Capital grants	-	-	142,264	142,264	128,476
Other donations	111,900	11,982	-	123,882	103,124
	<u>111,900</u>	<u>52,469</u>	<u>142,264</u>	<u>306,633</u>	<u>271,155</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 3 Funding for Trust's educational operations

	Restricted funds £	2018/19 Total £	2017/18 Total £
<b>DfE/ESFA revenue grants</b>			
GAG School Budget Share	1,774,059	1,774,059	1,583,394
GAG Pupil Premium	41,860	41,860	44,623
ESFA Infant Meal Funding	53,538	53,538	46,230
GAG Education Services Grant	-	-	10,215
ESFA PE Grants	89,771	89,771	83,040
ESFA Rates Relief	9,752	9,752	6,789
ESFA Start-up Grant	25,000	25,000	50,000
ESFA Conversion Grants	36,300	36,300	70,000
	<u>2,030,280</u>	<u>2,030,280</u>	<u>1,894,291</u>
<b>Other government grants</b>			
LEA Early Years Funding	101,180	101,180	57,458
LEA SEN Funding	47,574	47,574	24,599
	<u>148,754</u>	<u>148,754</u>	<u>82,057</u>
<b>Non-government grants and other income</b>			
Kelsick Trust	68,925	68,925	64,801
Total grants	<u>2,247,959</u>	<u>2,247,959</u>	<u>2,041,149</u>

#### 4 Other trading activities

	Unrestricted funds £	Total 2019 £	Total 2018 £
Catering income	90,336	90,336	73,067
School shop sales	3,512	3,512	3,284
School club income	31,369	31,369	23,854
Music services	2,295	2,295	2,385
Other sales	43,377	43,377	29,697
	<u>170,889</u>	<u>170,889</u>	<u>132,287</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 5 Investment income

	Unrestricted funds £	Total 2019 £	Total 2018 £
Short term deposits	645	645	265

#### 6 Expenditure

	Staff costs £	Premises £	Other costs £	Total 2019 £	Total 2018 £
<b>Trust's educational operations</b>					
Direct costs	1,467,308	-	227,131	1,694,439	1,497,554
Allocated support costs	422,161	377,767	232,049	1,031,977	948,338
	1,889,469	377,767	459,180	2,726,416	2,445,892
	1,889,469	377,767	459,180	2,726,416	2,445,892

#### Net incoming/outgoing resources for the year include:

	2019 £	2018 £
Fees payable to auditor - audit	5,500	5,500
- other audit services	2,250	2,250
Operating lease rentals	3,318	4,561
Depreciation	65,559	40,534

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 7 Trust's educational operations

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2019 £	Total 2018 £
<b>Direct costs</b>					
Teaching and educational support staff costs	94,856	1,372,452	-	1,467,308	1,270,119
Educational supplies	7,204	138,145	-	145,349	140,530
Examination fees	-	300	-	300	300
Staff development	-	22,445	-	22,445	20,608
Educational consultancy	-	39,297	-	39,297	51,173
Other direct costs	-	19,740	-	19,740	14,824
	<u>102,060</u>	<u>1,592,379</u>	<u>-</u>	<u>1,694,439</u>	<u>1,497,554</u>
<b>Allocated support costs</b>					
Support staff costs	96,424	270,737	-	367,161	284,504
Defined benefit pension scheme service cost adjustment	-	55,000	-	55,000	48,000
Depreciation	-	-	65,559	65,559	40,534
Maintenance of premises and equipment	15,618	53,763	98,026	167,407	218,253
Cleaning	-	51,465	-	51,465	45,217
Rent, rates and utilities	-	84,569	-	84,569	64,533
Insurance	-	8,767	-	8,767	7,420
IT and website costs	-	25,004	-	25,004	30,697
Recruitment and support	-	6,936	-	6,936	6,560
Security and transport	97	30,740	-	30,837	30,917
Catering	60,515	53,596	-	114,111	124,110
Bank interest and charges	-	128	-	128	155
Interest on defined benefit pension scheme	-	16,000	-	16,000	14,000
Professional fees	-	10,142	-	10,142	8,854
Printing, postage and stationery	-	9,048	-	9,048	12,250
Subscriptions	-	1,288	-	1,288	624
Governance costs	-	18,555	-	18,555	11,710
	<u>172,654</u>	<u>695,738</u>	<u>163,585</u>	<u>1,031,977</u>	<u>948,338</u>
	<u>274,714</u>	<u>2,288,117</u>	<u>163,585</u>	<u>2,726,416</u>	<u>2,445,892</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 7 Trust's educational operations (continued)

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs include the cost of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

#### 8 Conversion to an academy trust

On 1 February 2019 Dean C of E Primary School converted to an academy within the Trust under the Academies Act 2010 and all the operations assets and liabilities were transferred to Local Authority for £Nil consideration. There was a total deficit on local authority funds of £107,935 at the date of transfer. This was a deficit on general funds, with PE grants holding a balance of £2,155 and Devolved Capital grants holding a £Nil balance. As a sponsored school the transfer to the Trust was made with £7,302 funds, being £2,155 PE grants shown under Transfer From local Authority on Conversion and £5,147 for the net creditors outstanding on the date of conversion to be covered by the Trust which has been included in the relevant expenditure lines. Devolved Formula Capital was managed by Diocese prior to conversion and £14,168 was transferred by then to the Trust.

A late receipt was received by the Trust in relation to unspent grant money for Whitfield C of E Primary School totalling £1,611.

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 net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

#### 9 Staff

	2019 £	2018 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,505,759	1,257,681
Social security costs	96,444	77,734
Pension costs	226,321	214,379
Supply teacher costs	14,883	7,887
Staff absence insurance income	(8,938)	(3,058)
Operating costs of defined benefit pension schemes	55,000	48,000
	1,889,469	1,602,623

No employees were paid salaries in excess of £60,000 during the period.

The average number of persons (including senior management team) employed by the Trust during the year was as follows:

	2019 No	2018 No
<b>Charitable Activities</b>		
Teachers	28	21
Administration and support	42	40
Management	5	5
	75	66

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 9 Staff (continued)

##### Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £287,049 (2018 - £279,590).

The Diocesan Director of Education, Michael Mill, worked as Acting CEO for the Trust part time until 31 January 2019, but paid for by the Diocese. In the 18/19 academic year this is estimated to equate to donated services contribution of £11,982 between September 2018 and January 2019 (2018 - £28,096) by the Diocese to the Trust. This has not been included in the employee benefits figure stated above. Further information about this can be found in the information about "*Connected organisations, including related party relationships*".

# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 10 Central services

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

Providing a framework for improvement by:

- Support/ engagement with School Improvement Consultants through at least termly contact providing focused reports and advice. Monitoring and sharing school outcomes to ensure schools receive appropriate challenge and support. Common monitoring systems and processes across academies in the Trust.
- Additional support for sponsored and supported schools
- Support and advice from a dedicated central team of staff and access to identified consultants.
- Co-ordination of termly heads meetings - meetings arranged for one day a term to foster common approaches share ideas and good practice. Develop and identify delivery of shared training, as well as support the direction of the Trust as it grows and develops. Input to review of Trust services and policy.
- Bi annual staff conference - to support staff learning and enable them to feel part of a wider organisation and meet shared objectives, ethos and values
- Policy Management - developing Trust wide policies and templates that are fit for purpose within the Trust setting and removing the need for policy review and adoption at LGB level. The policies schools need to adopt/ develop are clearly identified as are website requirements.
- Regular Trust briefings - on new policies, new areas to be considered/ worked on, for example risk management, changes in legislation
- Named link director for each school who will develop knowledge of the school for input into the Board and central Trust development
- Annual health check and review of Scheme of Delegation with LGB to ensure the Trust and the school are working effectively together and improving/ learning as the Trust develops and grows
- Support during and after Ofsted and SIAMS inspections
- Attendance at LGB meetings when requested. Providing reports, standard agendas and training for LGBs and reviewing and advising on LGB responsibilities
- Template website structure available to support website management and compliance
- Targeted LGB member training including understanding data, bringing challenge, understanding how monitoring visits should be conducted, pre-ofsted plus others in an ongoing rolling programme
- Supporting schools to work together, staff to share good practise and pupils to be part of a bigger organisation
- Access to national MAT networks through the National Society and strong links with local teaching school alliances
- Providing a recognised voice for our schools in CASL and with the Local Authority.
- Future developments of cluster model/regional hubs approach to maximise local skills in local schools providing staff development opportunities
- Joint staff development opportunities - facilitated/ identified through head teachers meetings/ staff conference
- Promoting achievement through effective communication and newsletters
- Trust membership of NGA (National Governance Association) providing information, advice and guidance to Local Governing Bodies and school leaders

Providing support for organisational effectiveness by:

- HR and payroll - centrally delivered and supported by Strictly Education a specialist in education employment plus central Trust staff member to ensure organisational compliance, consistency of approach within the values of the Trust, undertake pension returns, supporting schools with HR issues and decisions
- Monitoring and Challenge - of educational delivery and financial management
- Finance Management including annual external audit and twice yearly DFE returns, regular budget reviews, transparent authorisation/ procurement process, all school monies within one finance system including school fund activity
- Savings through on-going identification and procurement of services, through benchmarking and knowledge across school budgets and school contracts, working towards financial resilience
- Simplifying administration and enabling staff to meet key deadlines/ external and internal reporting requirements through a reminder system



# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 10 Central services (continued)

- Union Facilitation Fee. The Trust as an employer has termly meetings with union reps to discuss policy development and ensure on-going local representation for any issues in Trust schools and ensure consistent employment arrangements for staff and help ensure good staff relations.
- Legal and financial compliance with charity and company law as well as DFE requirements
- Encouraging school sustainability through management of reserves appropriate to individual circumstances.

On becoming part of the Trust each school agrees to a financial contribution for delivery of central services. The recharge contribution is based on a minimum of 5% of the central government income excluding pupil premium and capital grants. (This may be increased depending on the agreed Scheme of Delegation with each school). This means that the Trust income from the schools will be directly linked to the number of pupils the schools have and will fluctuate as pupil numbers fluctuate.

The underlying principle that the Trust will operate is one of efficient and effective service delivery striving for economies of scale wherever possible.

The actual amounts charged during the year were as follows (Dean C of E Primary School represents a part year recharge):

	<b>2019</b>
	<b>£</b>
Lazonby C of E School	22,492
Braithwaite C of E Primary School	16,716
Ambleside C of E School	24,011
Lorton School	16,545
Whitfield C of E Primary School	18,503
Dean C of E Primary School	16,055
	<hr/>
	114,322
	<hr/> <hr/>

### 11 Related party transactions - trustees' remuneration and expenses

The Trustees did not receive any remuneration or payments, other than expenses, from the Trust in respect of their role as Trustees.

During the year ended 31 August 2019, travel and subsistence expenses totalling £1,108 (2018 - £1,722) were reimbursed or paid directly to 2 trustees (2018 - 3).

Related party transactions involving the Trustees are set out in note 25.

### 12 Trustees' and officers'

In accordance with normal commercial practice the Trust protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The Trust therefore contributes into the Department for Education's Risk Protection Arrangement (RPA) which is a voluntary arrangement for academies. It is an alternative to insurance and covers among other things employers liability, public liability, buildings and contents as well as Trustees and officers. It operates as a risk pooling scheme through which the costs of risk that materialise will be covered by government funds. The total cost of the RPA cover for the period ended 31 August 2019 is £7,809 and is included in the total insurance cost.

The cover for Trustees and officers is for up to £5,000,000 on any one claim.

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 13 Tangible fixed assets

	Long Leasehold land and buildings £	Furniture and Fixtures £	Motor vehicles £	Plant and Equipment £	Total £
<b>Cost</b>					
At 1 September 2018	557,094	149,835	-	50,873	757,802
Additions	-	30,351	23,565	30,148	84,064
At 31 August 2019	<u>557,094</u>	<u>180,186</u>	<u>23,565</u>	<u>81,021</u>	<u>841,866</u>
<b>Depreciation</b>					
At 1 September 2018	2,971	53,480	-	8,541	64,992
Charge for the year	2,971	37,125	5,237	20,226	65,559
At 31 August 2019	<u>5,942</u>	<u>90,605</u>	<u>5,237</u>	<u>28,767</u>	<u>130,551</u>
<b>Net book value</b>					
At 31 August 2019	<u>551,152</u>	<u>89,581</u>	<u>18,328</u>	<u>52,254</u>	<u>711,315</u>
At 31 August 2018	<u>554,123</u>	<u>96,355</u>	<u>-</u>	<u>42,332</u>	<u>692,810</u>

#### 14 Debtors

	2019 £	2018 £
Trade debtors	10,640	6,044
VAT recoverable	47,898	66,140
Prepayments	85,984	64,518
	<u>144,522</u>	<u>136,702</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 15 Creditors: amounts falling due within one year

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	141,864	211,301
Other taxation and social security	31,390	22,720
Accruals	70,244	58,016
Deferred income	<u>54,824</u>	<u>38,933</u>
	<u><u>298,322</u></u>	<u><u>330,970</u></u>
		<b>2019</b>
		<b>£</b>
Deferred income at 1 September 2018		38,933
Resources deferred in the period		54,824
Amounts released from previous periods		<u>(38,933)</u>
Deferred income at 31 August 2019		<u><u>54,824</u></u>

At the balance sheet date the Trust was holding grants received in advance for 2019/20 for:

Lorton School: £5,482 Universal Infant Free School Meals Funding and £990 Pupil Premium.

Lazonby C of E School: £8,158 Universal Infant Free School Meals Funding and £2,555 Pupil Premium.

Braithwaite C of E Primary School: £1,657 Universal Infant Free School Meals Funding and £5,440 Pupil Premium.

Ambleside C of E School: £9,305 Universal Infant Free School Meals Funding, £1,980 Pupil Premium and £5,319 High Needs Funding.

Whitfield C of E Primary School: £2,550 Universal Infant Free School Meals Funding, £2,225 Pupil Premium and £120 Wastwater.

Dean C of E Primary School: £7,393 Universal Infant Free School Meals Funding and £1,650 Pupil Premium.

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 16 Funds

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	6,882	1,815,919	(1,766,173)	23,240	79,868
Regional Academy Growth Grants	52,831	25,000	(29,254)	-	48,577
Conversion Grants	97,723	36,300	(31,924)	(23,240)	78,859
Other Government Grants	36,062	301,815	(277,045)	(19,891)	40,941
Other Restricted Funds	81,573	125,160	(112,721)	(2,740)	91,272
Pension Deficit	(560,000)	-	(71,000)	(277,000)	(908,000)
	<u>(284,929)</u>	<u>2,304,194</u>	<u>(2,288,117)</u>	<u>(299,631)</u>	<u>(568,483)</u>
<b>Restricted fixed asset funds</b>					
DfE Capital Grants	71,538	65,680	(92,325)	4,636	49,529
ESFA Capital Maintenance	48,714	55,599	(32,595)	12,570	84,288
Kelsick ICT Grant	932	-	(932)	-	-
National Lottery Fund Grant	7,174	19,985	(16,628)	18,500	29,031
Property on conversion	554,126	-	(2,971)	-	551,155
Revenue funded capital projects	38,695	-	(18,134)	23,564	44,125
Funds inherited on conversion	-	14,168	-	(14,168)	-
Other Grants	-	1,000	-	-	1,000
	<u>721,179</u>	<u>156,432</u>	<u>(163,585)</u>	<u>45,102</u>	<u>759,128</u>
Total restricted funds	436,250	2,460,626	(2,451,702)	(254,529)	190,645
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>246,228</u>	<u>283,434</u>	<u>(274,714)</u>	<u>(22,471)</u>	<u>232,477</u>
Total funds	<u><u>682,478</u></u>	<u><u>2,744,060</u></u>	<u><u>(2,726,416)</u></u>	<u><u>(277,000)</u></u>	<u><u>423,122</u></u>

#### Material Transfers:

A transfer of £13,549 was made from the ESFA School grant within Conversion Grants to General Annual Grant (GAG) as reimbursement for costs incurred at Whitfield C of E Primary School.

A transfer of £10,515 was made from PE grants within Other Government Grants to Revenue Funded Capital Projects to fund the purchase of a new minibus at Ambleside C of E School.

A transfer of £11,531 was made from PE grants within Other Government Grants to Big Lottery Fund fixed asset fund to part fund the development of a new play area at Lorton School.

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 16 Funds (continued)

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

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	53,124	1,638,232	(1,676,294)	(8,180)	6,882
Regional Academy Growth Grants	115,557	50,000	(80,964)	(31,762)	52,831
Conversion Grants	69,173	70,000	(1,600)	(39,850)	97,723
Other Government Grants	19,850	218,116	(201,904)	-	36,062
Other Restricted Funds	32,306	142,772	(92,529)	(976)	81,573
Pension Deficit	(606,000)	-	(62,000)	108,000	(560,000)
	<u>(315,990)</u>	<u>2,119,120</u>	<u>(2,115,291)</u>	<u>27,232</u>	<u>(284,929)</u>
<b>Restricted fixed asset funds</b>					
DfE Capital Grants	93,547	104,456	(130,765)	4,300	71,538
ESFA Capital Maintenance	52,561	24,020	(22,577)	(5,290)	48,714
Kelsick ICT Grant	2,327	-	(1,395)	-	932
National Lottery Fund Grant	10,761	-	(3,587)	-	7,174
Property on conversion	557,094	-	(2,968)	-	554,126
Revenue funded capital projects	-	-	(42,492)	81,187	38,695
	<u>716,290</u>	<u>128,476</u>	<u>(203,784)</u>	<u>80,197</u>	<u>721,179</u>
Total restricted funds	400,300	2,247,596	(2,319,075)	107,429	436,250
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>175,214</u>	<u>197,260</u>	<u>(126,817)</u>	<u>571</u>	<u>246,228</u>
Total funds	<u><u>575,514</u></u>	<u><u>2,444,856</u></u>	<u><u>(2,445,892)</u></u>	<u><u>108,000</u></u>	<u><u>682,478</u></u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 16 Funds (continued)

##### Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Lazonby C of E School	131,265	107,791
Braithwaite C of E Primary School	53,697	57,007
Ambleside C of E School	125,638	101,292
Lorton School	63,968	53,252
Whitfield C of E Primary School	90,190	49,838
Dean C of E Primary School	(2,394)	-
Central services	<u>109,630</u>	<u>152,119</u>
Total before fixed assets and pension reserve	571,994	521,299
Capital Grants	759,128	721,179
Pension scheme liability	<u>(908,000)</u>	<u>(560,000)</u>
Total	<u><u>423,122</u></u>	<u><u>682,478</u></u>

At the year end, the Trust held free reserves for Lazonby C of E School of £39,264, Braithwaite C of E Primary School of £53,176, Ambleside C of E School of £30,100, Lorton School of £55,856, Whitfield C of E Primary School £18,612, Dean C of E School £4,699 and centrally held a further £30,770.

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 16 Funds (continued)

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

Purpose of general restricted funds:

General Annual Grant (GAG) funding must be used for normal running costs of the Academies. Under the funding agreements with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Conversion Grants includes a conversion grant of £25,000 for Wreay C of E Primary School which joined the Trust on 1 September 2019. Each conversion grant received is restricted to cover costs directly incurred as a result of schools converting to an Academy and joining the Trust. The Trust was successful in applying for and receiving an Emergency Funding Grant of £10,800 for work done in supporting Gilsland C of E School. Spend of this grant straddles two academic years.

Start Up Grants includes £25,000 for Whitfield Primary School, the fund is restricted to contribute towards leadership and other costs to build up pupil numbers.

Other Government Grants includes ESFA PE Grants, Nursery Early Years Funding and Infant Meal Funding, all of which were receivable during the period. Other than PE Grants, which is available to carry forward to future periods, all funding was spent fully in the period.

The Trust's share of the Local Government Pension Scheme assets is measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet.

Purposes of restricted fixed asset funds:

ESFA Capital Maintenance includes DFC funding receivable in the period for all 6 schools.

DfE Conditions Improvement Grant Funding for capital works is restricted funding. An allocation of £65,680 was received for a boiler replacement at Dean C of E Primary School.

Lorton and Braithwaite were successful in applying for grants through the National Lottery Community Fund - Awards for All, receiving £10,000 towards their new play area equipment and Braithwaite receiving £9,985 towards their Forest Schools Project.

Purpose of unrestricted funds:

Each school generates unrestricted funds through donations and sponsorship, school club income and music, catering and uniform sales. All income has been included as unrestricted as there is no specific designated purpose for the income and how it should be spent. The schools and Trust are free to spend the available reserves on any matter in line with the overall aims and objectives.

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 16 Funds (continued)

##### Analysis of academies by cost

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 2019 £
Lazonby C of E School	284,071	59,468	41,308	101,478	486,325
Braithwaite C of E Primary School	244,805	65,213	31,296	61,764	403,078
Ambleside C of E School	340,558	55,189	56,035	115,497	567,279
Lorton School	261,786	58,948	16,296	71,399	408,429
Whitfield C of E Primary School	173,738	40,344	30,271	22,864	267,217
Dean C of E Primary School	165,119	67,907	21,906	109,524	364,456
Central services	-	9,566	21,332	133,175	164,073
<b>Trust</b>	<b><u>1,470,077</u></b>	<b><u>356,635</u></b>	<b><u>218,444</u></b>	<b><u>615,701</u></b>	<b><u>2,660,857</u></b>

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2018 £
Lazonby C of E School	257,690	51,726	35,928	122,391	467,735
Braithwaite C of E Primary School	244,887	59,221	38,832	160,847	503,787
Ambleside C of E School	356,747	48,494	69,981	108,575	583,797
Lorton School	252,894	32,110	19,251	93,233	397,488
Whitfield C of E Primary School	165,075	41,602	31,766	28,166	266,609
Central services	-	92,177	32,622	61,143	185,942
<b>Trust</b>	<b><u>1,277,293</u></b>	<b><u>325,330</u></b>	<b><u>228,380</u></b>	<b><u>574,355</u></b>	<b><u>2,405,358</u></b>



## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 17 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	2018/19 Total funds £
Tangible fixed assets	-	-	711,315	711,315
Current assets	232,477	637,839	47,813	918,129
Current liabilities	-	(298,322)	-	(298,322)
Pension scheme liability	-	(908,000)	-	(908,000)
Total net assets	<u>232,477</u>	<u>(568,483)</u>	<u>759,128</u>	<u>423,122</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	2017/18 Total funds £
Tangible fixed assets	-	-	692,810	692,810
Current assets	246,228	606,041	28,369	880,638
Current liabilities	-	(330,970)	-	(330,970)
Pension scheme liability	-	(560,000)	-	(560,000)
Total net assets	<u>246,228</u>	<u>(284,929)</u>	<u>721,179</u>	<u>682,478</u>

#### 18 Commitments under operating leases

##### *Operating leases*

At 31 August 2019 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	3,055	3,068
Amounts due between one and five years	6,444	8,462
Amounts due after five years	12,800	13,600
	<u>22,299</u>	<u>25,130</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 19 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	<b>31 August 2019 £</b>	<b>31 August 2018 £</b>
Net income/(expenditure)	17,644	(1,036)
Depreciation	65,559	40,534
Donated capital and capital grants	(142,264)	(128,476)
Interest receivable	(645)	(265)
FRS 17 interest on defined benefit pension scheme	16,000	14,000
FRS17 service cost adjustment	55,000	48,000
(Increase)/decrease in debtors	(7,820)	40,812
Decrease in creditors	<u>(32,648)</u>	<u>(61,325)</u>
Net cash outflow from operating activities	<u><u>(29,174)</u></u>	<u><u>(47,756)</u></u>

#### 20 Cash flows from financing activities

	<b>31 August 2019 £</b>	<b>31 August 2018 £</b>
Interest received	<u>645</u>	<u>265</u>
Net cash provided by financing activities	<u><u>645</u></u>	<u><u>265</u></u>

#### 21 Capital expenditure and financial investment

	<b>31 August 2019 £</b>	<b>31 August 2018 £</b>
Purchase of tangible fixed assets	(84,064)	(45,267)
Capital funding received from sponsors and others	<u>142,264</u>	<u>128,476</u>
Net cash inflow from capital expenditure and financial investment	<u><u>58,200</u></u>	<u><u>83,209</u></u>

#### 22 Analysis of cash and cash equivalents

	<b>31 August 2019 £</b>	<b>31 August 2018 £</b>
Cash at bank and in hand	<u>773,607</u>	<u>743,936</u>
Total cash and cash equivalents	<u><u>773,607</u></u>	<u><u>743,936</u></u>

#### 23 Members' liability

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

# The Good Shepherd Multi Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 24 Pension and similar obligations

The Trust'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 Cumbria County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### 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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £143,103 (2018: £131,147). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 24 Pension and similar obligations (continued)

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £104,682, of which employer's contributions totalled £83,219, employees' contributions totalled £21,463 and deficit recovery contributions totalled £15,925. The agreed contribution rates for future years is 16.8 per cent for employers with deficit recovery contributions of £15,500, £15,800 and £16,100 due for the fiscal years 2017/18, 2018/19 and 2019/20 respectively. Employees rates are calculated using Local Government Pension Scheme employee contributions procedures, which have now been banded.

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.

##### Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.50	3.60
Rate of increase for pensions in payment/inflation	2.10	2.20
Discount rate for scheme liabilities	1.80	2.80
Inflation assumptions (CPI)	<u>2.00</u>	<u>2.10</u>

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

	2019	2018
<b>Retiring today</b>		
Males retiring today	23.30	23.20
Females retiring today	25.90	25.80
<b>Retiring in 20 years</b>		
Males retiring in 20 years	25.60	25.50
Females retiring in 20 years	<u>28.60</u>	<u>28.50</u>

##### Sensitivity analysis

	2019 £	2018 £
Discount rate +0.1%	869,000.00	533,000.00
Mortality assumption – 1 year increase	936,000.00	579,000.00
CPI rate +0.1%	<u>948,000.00</u>	<u>587,000.00</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 24 Pension and similar obligations (continued)

The Trust's share of the assets in the scheme were:

	2019 £	2018 £
Equities	346,000	268,000
Government bonds	129,000	96,000
Other bonds	44,000	35,000
Property	41,000	50,000
Cash and other liquid assets	33,000	32,000
Other	124,000	69,000
Total market value of assets	<u>717,000</u>	<u>550,000</u>

The actual return on scheme assets was £49,000 (2018 - £23,000).

#### Amounts recognised in the statement of financial activities

	31 August 2019 £	31 August 2018 £
Current service cost	102,000	128,000
Past service cost	50,000	-
Net interest cost	16,000	14,000
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	4,000
Admin expenses	2,000	2,000
Total operating charge	<u>170,000</u>	<u>148,000</u>

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

	31 August 2019 £	31 August 2018 £
At start of period	1,110,000	1,034,000
Current service cost	102,000	128,000
Interest cost	33,000	26,000
Employee contributions	25,000	21,000
Actuarial (gain)/loss	309,000	(97,000)
Losses or gains on curtailments	-	4,000
Benefits paid	(4,000)	(6,000)
Past service cost	50,000	-
At 31 August	<u>1,625,000</u>	<u>1,110,000</u>

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 24 Pension and similar obligations (continued)

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

	<b>31 August 2019</b>	<b>31 August 2018</b>
	<b>£</b>	<b>£</b>
At start of period	550,000	428,000
Interest income	17,000	12,000
Actuarial gain/(loss)	32,000	11,000
Employer contributions	99,000	86,000
Employee contributions	25,000	21,000
Benefits paid	(4,000)	(6,000)
Effect of non-routine settlements	<u>(2,000)</u>	<u>(2,000)</u>
At 31 August	<u><u>717,000</u></u>	<u><u>550,000</u></u>

#### 25 Related party transactions

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

In entering into the related party transactions with the Diocese the Trust has complied with the requirements of the Academies Financial Handbook including the requirement from April 2019 to report 3rd party transactions above a cumulative £20,000 value. In the 18/19 academic year no reports were made or necessary since the guidelines do not require reporting on income and the cumulative value of the contracts with the Diocese, excluding those elements of the services provided that can only be delivered by the Diocese to provide essential functions fundamental to the religious character of our schools, was a total of £3,746 for the period April to August 2019. See further detail below.

## The Good Shepherd Multi Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 25 Related party transactions (continued)

##### Expenditure related party transactions

During the year the academy made the following related party transactions:

##### Carlisle Diocesan Board of Finance

(Member of the Trust)

The Diocesan Board of Education offers support to Trust schools via a number of mechanisms, some of which are charged for. These include conferences, training and head teacher's performance management.

Carlisle Diocesan Board of Finance is custodian trustee for the school buildings which four of the six member schools of the Trust operate from. No formal lease is in place for the use of the buildings, and no rent is payable under the arrangement.

During the year the central administration staff occupied serviced office accommodation within the Diocesan offices in Penrith.

During the year Carlisle Diocesan Board of Finance incurred and recharged costs totalling £6,153 (£2,564 April to August) for photocopying, postage, provision of IT support/system access and provision of services office accommodation on behalf of the central Trust staff. This is recharged on and at a cost basis.

The Diocese also recharged a total of £5,318 (£1,182 April & May) for the provision of direct administration support to the Trust by a Diocesan employee. This was a temporary arrangement that came to an end on 31 May 2019.

The element above £2,500 has been provided 'at no more than cost' and Carlisle Diocesan Board of Finance has provided a statement of assurance confirming this.

In entering into the transaction the Trust has complied with the requirements of the Academies Financial Handbook 2018.

At the balance sheet date the amount due to Carlisle Diocesan Board of Finance was £Nil (2018 - £Nil).

##### Income related party transactions

During the year the academy made the following related party transactions:

##### Carlisle Diocesan Board of Finance

(Member of the Trust)

Carlisle Diocesan Board of Finance has ring fenced money towards the set up of the Trust to enable it to grow and achieve a sustainable size. In the first 4 years of operation £65,100 was utilised. For the 18/19 period a further £16,000 was agreed and has been accrued for in the accounts.

From 1 February 2019, Michael Mill stepped down as Acting CEO and the Trust recruited and appointed Claire Render to the part time post, initially on secondment from Wreay C of E School. To support this appointment the Diocese made a financial contribution for the period February to August of £8,387. Further information on the transactions with the Diocese can be found in "Connected organisations, including related party relationships" within the Trustees report..