

Company Registration No. 08137421 (England and Wales)

ST FRANCIS XAVIER'S COLLEGE
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2014



ST FRANCIS XAVIER'S COLLEGE

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ST FRANCIS XAVIER'S COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Mr D Delaney (Appointed by members) (Appointed 1 September 2013)
Mrs M Fullan (Parent governor) (Resigned 1 April 2014)
Mr K Glover (Teaching staff governor) *
Mrs P Goodall (Support staff governor)
Mrs M Gormely (Appointed by members) *
Mr M Helme (Parent governor) *
Dr A Keeley (Chairman) *
Mr J Lloyd (Teaching staff) *
Mr S McNally (Parent governor) *
Mrs J Merrie (Parent governor) (Resigned 1 April 2014) *
Mrs S O'Driscoll (Appointed by members) (Appointed 1 September 2013)
Mr N O'Hare (Parent governor) *
Mrs Y A O'Hare (Appointed by members)
Mr T O'Keefe (Parent governor) (Resigned 1 April 2014)
Mrs A Oliver (Parent governor)
Mr M W Ord (Appointed by members)
Bro F Patterson (Appointed by members)
Mr M Power (Appointed by members) *
Mr D Reynolds (Co-opted by members)
Mr L D Rippon (Head Teacher) *
Mrs E M Tedford (Vice Chair) *
Miss J Deane (Parent governor) (Appointed 1 April 2014)
Miss L Riccio (Parent governor) (Appointed 19 May 2014)
Mr N Summers (Parent governor) (Appointed 1 April 2014)
Mr H N King (Appointed by members) *

* members of the finance committee

Members

Bro F Patterson
Bro Herve
Dr A Keeley

Senior management team

- Deputy Head Teacher KS3
- Deputy Head Teacher KS4
- Deputy Head Teacher KS5
- Business Manager
- Head Teacher

Mrs F Kay
Bro P Tracey
Mr G Flowers
Mrs M Black
Mr L D Rippon

Company secretary

Mrs D Banks

Company registration number

08137421 (England and Wales)

Registered office

Beaconsfield Road
Woolton
Liverpool
L25 6EG

ST FRANCIS XAVIER'S COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Bankers

Lloyds TSB
Liverpool Law Courts
Merchants Court
2-12 Lord Street
Liverpool
L2 1TS

Solicitors

Stone King Solicitors
13 Queen Square
Bath
BA1 2HJ

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of St Francis Xavier's College are also the directors of the charitable company for the purposes of company law. Three governors act as the trustees for the charitable activities.

The charitable company is known as St Francis Xavier's College. The company has not been known by any other name.

The governors are the trustees of St Francis Xavier's College and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required not exceeding £10 as required in the academy trust's funding agreement/memorandum and articles of association, for debts and liabilities contracted before they ceased to be a member.

Governors' indemnities

In accordance with normal commercial practice, the school has purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The limit of the indemnity is £2,000,000.

Method of recruitment and appointment or election of governors

On the 1st August 2012 the Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy shall have the following Governors as set out in its Articles of Association and funding agreement:

- 10 Governors who are appointed by the Members
- 7 Parent Governors who are elected by Parents of registered students at the college
- 2 Teaching Staff Governors appointed by peer election
- 1 Support Staff Governor appointed by peer election
- 1 Co-opted Governor
- The Headteacher who is treated for all purposes as being an ex officio Governor

Governors are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any governor can be re-appointed or re-elected.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Policies and procedures adopted for the induction and training of governors

When appointing new governors, the Members will give consideration to the skills and experience mix of existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the school's development.

There is a comprehensive Governor Induction Programme managed by the Company Secretary, tailored to the individual and includes briefings by senior staff, tour of the school to meet staff and students and papers necessary to the fulfilment of the role.

Principal activities

The principal activity is the advance of education for the public benefit by establishing, maintaining, carrying on, managing and developing a secondary school offering a broad and balanced curriculum for students of different abilities between the ages of 11 – 18.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Organisational structure

The Full Governing Body and the individual committees meet three times per year. They establish an overall framework for the governance of the school and determine membership, terms of reference and procedures of committees and other groups. They receive reports including policies from its committees for ratification and monitor the activities of the committees through the minutes of their meetings. The Governing Body may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 4 committees, meeting termly, all of whom are responsible for school policy, practice and performance and monitor aspects of their work by discussion/review/challenge:

- Finance Committee – financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget.
- Education Committee – curriculum planning, target setting, assessment and examinations.
- Buildings Committee – management of land, environment and school buildings.
- Staffing Committee – performance management, staffing levels, appointments, salaries, CPD, work-life balance and personnel policies.

The following decisions are reserved for the Governors:

- To consider any proposals for changes to the status or constitution of the school and its committee structure
- To appoint or remove the Chairman and/or Vice Chairman
- To appoint the Headteacher and Company Secretary
- To approve the Development Plan and budget.

The Governors are responsible for setting general policy, adopting a development plan and budget, approving the statutory accounts, monitoring the school by the use of budgets and other data and making major decisions about the direction of the school, capital expenditure and staff appointments.

The Governors have devolved responsibility for day to day management of the Academy to the Headteacher, Deputy Headteachers and the Business Manager.

The school has a leadership structure which consists of the Governors, Senior Leadership Group and Leadership Group. The aim of the leadership structure is to encourage responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Group (SLG) consists of the Headteacher, three Deputy Headteachers and the Business Manager. The Leadership Group (LG) consists of the SLG and three Assistant Headteachers. The SLG and LG control the school at an executive level, implementing the policies laid down by the Governors and reporting back to them. The Headteacher, Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets. Departmental spending control is devolved to budget holders. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts may often include a Governor.

The Headteacher is the Accounting Officer.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Connected organisations including related party relationships

The Academy has strong collaborative links with its feeder primary schools, and other secondary schools in the area.

The Academy has an active Parent Teacher Association - SFX PTA which supports the work of the school.

The Trustees of the Brothers of Christian Instruction owns the freehold of the college land and buildings and leases this to the Academy. The Academy leases its playing fields from the Trustees for Roman Catholic Purposes Registered.

There are no sponsors.

Risk management

The Governors have assessed the major risks to which the school is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas and its finances.

The Governors have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has undertaken a full review of the main areas of risks which it faces. This includes all health and safety and child protection policies and procedures. In addition a review of all financial risks is undertaken on a regular basis.

The Academy has a formal risk management process to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the Academy faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. A Risk Register is maintained and reviewed on a regular basis.

Objectives and activities

Objects and aims

The Academy is a caring, successful and improving school which currently has as its mission statement "Life in all its fullness". The Academy serves students with high quality learning to give the best possible life chances. We aim to get the best for, and from, each student. We aim to enable each student to realise his or her full academic, creative and physical potential, and to develop positive social and moral values. Our Academy is a community in which students, staff and parents should be part of this happy and caring environment.

The governors confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charitable Company.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Strategic report

Achievements and performance

GCSE performance this year was in-line with that of the national picture for boys. The Academy caters for boys aged 11-16. In 2014 51.2% of pupils obtained 5 A* - C grades including English and Maths and 62.0% gained 5 A*-C grades overall (national boys figure 63.2%). In terms of English and Maths, 62.0% of pupils obtained a grade C or above in English (national boys figure 53.0%) and 62.0% gained a grade C or above in Maths (national boys figure 62.0%).

Students obtained very good 'A' level results with 95% of students progressing into higher education. The average points score per entry was 218.0 which continued an upward trend over the last 3 years.

NEET (not in employment, education or training) figures are outstanding. They stand at 0.5% for the Y11, 1.0% for the Y12 and 0.0% for the Y13 group of 2013-14.

Key performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. It is the Academy's management policy that in general terms the income received in any one year is spent for the benefit of those children in the school that year.

During the financial year 2013/2014 the Academy has continued to make improvements to the school buildings. Following two successful funding bids to the Education Funding Agency (EFA) the works carried out this year have been the renewal of heating system in the Main Building and an external wall rebuild and strengthening of the remainder of the wall.

The monthly management accounts are generally in line with projected budget spend and this is another main indicator.

As funding is based on student numbers this is also a key performance indicator. Student numbers for Spring Census 2013 were 1007 in years 7-11 and 245 in 6th Form and 985 and 227 in the Autumn Census respectively. The number in years 7 – 11 will drop slightly over the next 2 years due to the change in our intake numbers from 215 to 196 per year group. The 6th Form numbers can alter slightly from one year to the next and this is a matter reviewed regularly by the Academy Governors and Leadership Team, bearing in mind the downward trend of 6th Form funding.

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy 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.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Financial review

Most of the Academy's income is obtained from the EFA via the Pre 16 GAG funding and Post 16 GAG funding, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2014 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the period ended 31 August 2014, expenditure was covered by recurrent grant funding from the DfE, together with other incoming resources.

All existing assets of the school were transferred to the Academy upon conversion. Specific land and buildings owned directly by the Academy Trust were professionally valued at that date. Other assets have been included in the financial statements at a fair value into account purchase price and remaining useful lives.

The balance of the former school's budget share was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme (LGPS) in respect of its Support Staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in the financial statements. A LGPS Discretionary Statement was approved by the Governors during the period.

Key financial policies adopted or reviewed during the year include the Financial Handbook which lays out the framework for financial management, including financial responsibilities of the Governors, Headteacher, Business Manager, other managers, budget holders and other staff, as well as delegated authority for spending.

Other policies reviewed and updated annually included Financial Risk and Controls Checklist, Best Value Policy and the Governors Decision Making Document. The Governors also review the Financial Scheme of Delegation separately from the Financial Manual. Insurance needs are also reviewed annually.

Governors have appointed UHY Hacker Young Manchester LLP to undertake the role of internal auditor. This role undertakes a programme of internal checks on financial controls.

During the period, the Governors received two reports from the internal auditor which contained no matters of significance.

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy is carrying a net surplus on funds excluding the pension scheme liability of £1,649,141, and at the end of the period has free reserves of £455,492.

The Governors have determined that the appropriate levels of free cash reserves should be approximately £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Investment policy and powers

All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums may be invested on deposit for extended periods.

Governors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Day to day management of the surplus funds is delegated to the Business Manager under approvals by the Governing Body.

Principal risks and uncertainties

The Academy has agreed a Risk Management Policy incorporating a Risk Register. There is also a strategic plan. These have been discussed by Governors and include the financial risks to the Academy. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Governors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

As the Academy is over-subscribed at year 7, risks to revenue funding from a falling roll are small. However, 6th Form numbers can vary slightly and this is a matter reviewed regularly by the Academy Governors and Leadership Team, bearing in mind the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Governors examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Full Governors and Finance Committee meetings ensuring that sufficient funds are held to cover all known and anticipated commitments.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in the notes to the financial statements, represents a significant potential liability. However, as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

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

Financial – the Academy has considerable reliance on continued Government funding through the EFA and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management – the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational – the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

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

Staffing – the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

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

Plans for future periods

Our primary focus in 2014/2015 is to ensure our students make significant progress and achieve high degrees of success in their examinations.

At our Leadership Conference which is usually held in February each year, staff, work to produce a 3 year plan to improve teaching and learning using the financial resources available to the college. We have an Academy that is continually striving to improve results and have implemented support groups including the RAP Group (Raising Achievement) and 1:1 Tuition to aid students with specific needs. Pupil Premium is targeted at students who come from deprived backgrounds to help make progress for such pupils.

The Leadership Team are working hard to embrace the various changes to the curriculum which are coming on line for 2014 in order that the best interests of students are served.

We have invested a large sum of money in the Main Building over the last 5 years. The building is over 60 years old and required major refurbishment work. This has now been carried out in the form of: a new roof, new windows, new fire doors, new lighting, new flooring, re-wiring, introduction of a lift and this year a new heating system following a successful Capital Maintenance Bid from the EFA. This has resulted in the Energy Certificate for the Main Building decreasing from an F to a D (117 down to 86).

The Academy has also just completed a brand new covered Multi Use Games Area (MUGA) with down lighting included to allow students to continue sport in bad weather.

The Academy are also working closely with the Local Authority in terms of longer term capital development as part of the Liverpool Schools Investment Plan and this work is due to begin on 24th November 2014 following a successful planning application. The new buildings will include a new Science Block, a new Sports Hall and a new Admin front entrance with fully equipped Music Rooms. The entrance to the school will also change from Beaconsfield Road to Woolton Hill Road with separate access for pupils and cars making the site more secure and safe for pupils and staff.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Funds held as custodian trustee on behalf of others

The Academy and its Governors do not act as the Custodian Trustees of any other Charity.

Auditor

In so far as the governors are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 27 November 2014 and signed on its behalf by:



Dr A Keeley
Chairman

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

Scope of responsibility

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

The governing body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring the 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 St Francis Xavier's College and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weakness or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
Mr D Delaney (Appointed by members) (Appointed 1 September 2013)	5	5
Mrs M Fullan (Parent governor) (Resigned 1 April 2014)	2	4
Mr K Glover (Teaching staff governor)	5	5
Mrs P Goodall (Support staff governor)	5	5
Mrs M Gormely (Appointed by members)	5	5
Mr M Helme (Parent governor)	3	5
Dr A Keeley (Chairman)	5	5
Mr J Lloyd (Teaching staff)	4	5
Mr S McNally (Parent governor)	5	5
Mrs J Merrie (Parent governor) (Resigned 1 April 2014)	3	4
Mrs S O'Driscoll (Appointed by members) (Appointed 1 September 2013)	5	5
Mr N O'Hare (Parent governor)	5	5
Mrs Y A O'Hare (Appointed by members)	4	5
Mr T O'Keefe (Parent governor) (Resigned 1 April 2014)	2	4
Mrs A Oliver (Parent governor)	2	5
Mr M W Ord (Appointed by members)	3	5
Bro F Patterson (Appointed by members)	4	5
Mr M Power (Appointed by members)	1	5
Mr D Reynolds (Co-opted by members)	4	5
Mr L D Rippon (Head Teacher)	5	5
Mrs E M Tedford (Vice Chair)	5	5
Miss J Deane (Parent governor) (Appointed 1 April 2014)	2	2
Miss L Riccio (Parent governor) (Appointed 19 May 2014)	2	2
Mr N Summers (Parent governor) (Appointed 1 April 2014)	2	2
Mr H N King (Appointed by members)	5	5

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The Finance Committee is a committee of the main governing body. Its purpose is to monitor the financial administration of the school to ensure efficient and effective use of funds in accordance with current regulations by discussion, review and challenge at its meetings.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr K Glover (Teaching staff governor)	2	3
Mrs M Gormely (Appointed by members)	2	3
Mr M Helme (Parent governor)	3	3
Dr A Keeley (Chairman)	3	3
Mr J Lloyd (Teaching staff)	3	3
Mr S McNally (Parent governor)	2	3
Mrs J Merrie (Parent governor) (Resigned 1 April 2014)	0	2
Mr N O'Hare (Parent governor)	2	3
Mr M Power (Appointed by members)	2	3
Mr L D Rippon (Head Teacher)	3	3
Mrs E M Tedford (Vice Chair)	3	3
Mr H N King (Appointed by members)	3	3

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy for the period ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual three year strategic budget plan and periodic financial reports are reviewed and agreed by the governing body;
- Regular reviews by the Finance Committee of reports presented by the Business Manager 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.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed UHY Hacker Young Manchester LLP to carry out the internal audit function. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, the internal auditor reports to the governing body on the operation of the system of control and on the discharge of the governing body's financial responsibilities. The work of the internal auditor has been in accordance with the requirements of the financial regulations and there were no items of significance reported.

Review of effectiveness

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

- The work of the internal auditor;
- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of the executive managers within the Academy 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 board of governors on 27 November 2014 and signed on its behalf by:



Mr L D Rippon
Head Teacher

ST FRANCIS XAVIER'S COLLEGE

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2014

As accounting officer of St Francis Xavier's College I have considered my responsibility to notify the academy trust board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that 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 governors and EFA.

Approved on 27 November 2014 and signed by:



Mr L D Rippon
Accounting Officer

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees for St Francis Xavier's College and are also the directors of St Francis Xavier's College for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts 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 accounts, the governors are required to:

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

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

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

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

Approved by order of the board of governors on 27 November 2014 and signed on its behalf by:



Dr A Keeley
Chairman

ST FRANCIS XAVIER'S COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ST FRANCIS XAVIER'S COLLEGE

We have audited the accounts of St Francis Xavier's College for the year ended 31 August 2014 set out on pages 21 to 43. 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) and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

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

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 16, the governors, who are also the directors of St Francis Xavier's College for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

ST FRANCIS XAVIER'S COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ST FRANCIS XAVIER'S COLLEGE

Matters on which we are required to report by exception

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

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



Mark Robertson (Senior Statutory Auditor)
UHY Hacker Young Manchester LLP

Chartered Accountants
Statutory Auditor
St James Building
79 Oxford Street
Manchester
M1 6HT

Dated: 27 November 2014

ST FRANCIS XAVIER'S COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST FRANCIS XAVIER'S COLLEGE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Francis Xavier's College during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Francis Xavier's College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St Francis Xavier's College and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the St Francis Xavier's College and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Francis Xavier's College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Francis Xavier's College's funding agreement with the Secretary of State for Education dated 20 February 2012 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

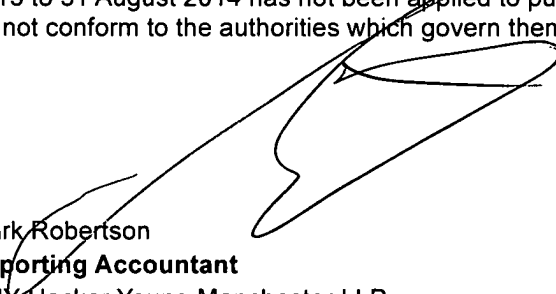
We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of St Francis Xavier's College for the year ended 31 August 2014 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

ST FRANCIS XAVIER'S COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST FRANCIS XAVIER'S COLLEGE AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mark Robertson
Reporting Accountant
UHY Hacker Young Manchester LLP

Dated: 27 November 2014

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2014 £	Total 2013 £
Incoming resources	Notes					
<i>Resources from generated funds</i>						
- Voluntary income	2	-	506,560	-	506,560	514,119
- Activities for generating funds	3	28,411	217,962	-	246,373	194,377
- Investment income	4	9,239	-	-	9,239	716
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	6,885,714	293,048	7,178,762	7,689,532
Deficit inherited on conversion		-	-	-	-	(813,018)
Total incoming resources		37,650	7,610,236	293,048	7,940,934	7,585,726
Resources expended						
<i>Costs of generating funds</i>						
<i>Charitable activities</i>						
- Educational operations	7	-	7,362,129	57,181	7,419,310	7,769,714
Governance costs	8	-	166,491	-	166,491	151,004
Total resources expended	6	-	7,528,620	57,181	7,585,801	7,920,718
Net incoming/(outgoing) resources before transfers		37,650	81,616	235,867	355,133	(334,992)
Gross transfers between funds		-	(31,584)	31,584	-	-
Net income/(expenditure) for the year		37,650	50,032	267,451	355,133	(334,992)
Other recognised gains and losses						
Actuarial losses on defined benefit pension scheme	19	-	(23,000)	-	(23,000)	(14,000)
Net movement in funds		37,650	27,032	267,451	332,133	(348,992)
Fund balances at 1 September 2013		417,842	(1,640,451)	873,617	(348,992)	-
Fund balances at 31 August 2014		455,492	(1,613,419)	1,141,068	(16,859)	(348,992)

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

ST FRANCIS XAVIER'S COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	11		751,430		598,617
Investments	12		275,000		275,000
			<u>1,026,430</u>		<u>873,617</u>
Current assets					
Debtors	13	491,301		483,413	
Cash at bank and in hand		598,491		392,103	
		<u>1,089,792</u>		<u>875,516</u>	
Creditors: amounts falling due within one year	14	(423,206)		(508,125)	
Net current assets			<u>666,586</u>		<u>367,391</u>
Total assets less current liabilities			<u>1,693,016</u>		<u>1,241,008</u>
Creditors: amounts falling due after more than one year	15		(43,875)		-
Net assets excluding pension liability			<u>1,649,141</u>		<u>1,241,008</u>
Defined benefit pension liability	19		(1,666,000)		(1,590,000)
Net assets			<u>(16,859)</u>		<u>(348,992)</u>
Funds of the academy trust:					
Restricted income funds	17				
- Fixed asset funds			1,141,068		873,617
- General funds			52,581		(50,451)
- Pension reserve			(1,666,000)		(1,590,000)
Total restricted funds			<u>(472,351)</u>		<u>(766,834)</u>
Unrestricted funds	17		<u>455,492</u>		<u>417,842</u>
Total funds			<u>(16,859)</u>		<u>(348,992)</u>

The accounts were approved by order of the board of governors and authorised for issue on 27 November 2014.

Dr A Keeley
Chairman



Company Number 08137421

ST FRANCIS XAVIER'S COLLEGE

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	20	112,906	602,400
Returns on investments and servicing of finance			
Investment income	9,239	716	
Net cash inflow from returns on investments and servicing of finance		9,239	716
		122,145	603,116
Capital expenditure and financial investments			
Capital grants received	158,790	141,772	
Payments to acquire tangible fixed assets	(125,497)	(352,785)	
Receipts from sales of tangible fixed assets	4,150	-	
Net cash flow from capital activities		37,443	(211,013)
Net cash inflow before financing		159,588	392,103
Financing			
EFA 'Salix' loan	46,800	-	
Net cash inflow from funding		46,800	-
Increase in cash	21	206,388	392,103

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The governors 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 company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the accounts.

1.3 Incoming resources

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

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

1.4 Resources expended

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

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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 academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	50 years straight line
Plant and machinery	25% reducing balance/50 years straight line
Building adaptations	10 years straight line
Fixtures, fittings & equipment	25% reducing balance/3 years straight line
Motor vehicles	25% reducing balance

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 Taxation

The academy 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 academy 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.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

1.8 Pensions benefits

Retirement benefits to employees of the academy 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 academy 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 academy 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 quinquennial valuations using a prospective benefit method. As stated in Note 19, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

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

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

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

1.10 Comparative period

The comparative accounts are for the 13 months ended 31 August 2013.

1.11 Fixed asset investments

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No. 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the Governors, necessary in order to give a true and fair view of the financial position of the Academy.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Other donations	-	506,560	506,560	514,119

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Hire of facilities	16,911	-	16,911	14,382
Catering income	11,500	-	11,500	21,877
Income from other schools	-	43,654	43,654	38,921
Trip income	-	148,720	148,720	100,229
Other income	-	25,588	25,588	18,968
	28,411	217,962	246,373	194,377

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Short term deposits	9,239	-	9,239	716

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
DfE / EFA grants				
General annual grant (GAG)	-	6,798,812	6,798,812	7,416,501
Capital grants	-	293,048	293,048	141,772
	-	7,091,860	7,091,860	7,558,273
Other government grants				
Local authority grants	-	86,652	86,652	21,073
Other grants	-	250	250	110,186
	-	86,902	86,902	131,259
Total funding	-	7,178,762	7,178,762	7,689,532

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2014 £	Total 2013 £
Academy's educational operations					
- Direct costs	4,315,600	47,181	696,945	5,059,726	5,087,647
- Allocated support costs	947,583	143,613	1,268,388	2,359,584	2,682,067
	<u>5,263,183</u>	<u>190,794</u>	<u>1,965,333</u>	<u>7,419,310</u>	<u>7,769,714</u>
Other expenditure					
Governance costs	<u>72,011</u>	<u>-</u>	<u>94,480</u>	<u>166,491</u>	<u>151,004</u>
Total expenditure	<u>5,335,194</u>	<u>190,794</u>	<u>2,059,813</u>	<u>7,585,801</u>	<u>7,920,718</u>
Incoming/outgoing resources for the year include:				2014 £	2013 £
Operating lease rentals				128,662	146,758
Loss/(profit) on disposal of fixed assets				<u>(1,988)</u>	<u>-</u>

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Direct costs				
Teaching and educational support staff costs	-	4,300,101	4,300,101	4,403,413
Depreciation	-	47,181	47,181	15,025
Technology costs	-	13,019	13,019	11,405
Educational supplies and services	-	191,775	191,775	271,494
Examination fees	-	122,898	122,898	125,873
Staff development	-	15,499	15,499	19,807
Educational consultancy	-	109,581	109,581	68,148
Other direct costs	-	259,672	259,672	172,482
	-	5,059,726	5,059,726	5,087,647
Allocated support costs				
Support staff costs	-	947,583	947,583	1,108,032
Depreciation	-	10,000	10,000	9,260
Technology costs	-	157,263	157,263	152,126
Recruitment and support	-	19,956	19,956	13,779
Maintenance of premises and equipment	-	133,613	133,613	304,023
Cleaning	-	5,808	5,808	16,617
Energy costs	-	107,525	107,525	120,568
Rent and rates	-	639,740	639,740	624,869
Insurance	-	54,514	54,514	60,699
Security and transport	-	7,295	7,295	5,769
Catering	-	117,768	117,768	122,102
Interest and finance costs	-	64,000	64,000	66,000
Other support costs	-	94,519	94,519	78,223
	-	2,359,584	2,359,584	2,682,067
Total costs	-	7,419,310	7,419,310	7,769,714

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Legal and professional fees	-	73,927	73,927	41,202
Auditor's remuneration				
- Audit of financial statements	-	14,403	14,403	23,059
- Other services	-	7,250	7,250	7,250
Support staff costs	-	70,911	70,911	79,493
	-	166,491	166,491	151,004

9 Staff costs

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2014 Number	2013 Number
Teachers	74	70
Administration and support	92	96
Management	8	1
	174	167

Costs included within the accounts:

	2014 £	2013 £
Wages and salaries	4,308,261	4,529,224
Social security costs	320,555	324,214
Other pension costs	589,601	604,061
	5,218,417	5,457,499
Supply teacher costs	101,278	130,889
Staff development and other staff costs	15,499	19,807
Total staff costs	5,335,194	5,608,195

The number of employees whose annual remuneration was £60,000 or more was:

	2014 Number	2013 Number
In the band £60,001 - £70,000	5	4
In the band £100,001 - £200,000	1	1

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

9 Staff costs

(Continued)

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2014	2013
Teachers' Pension Scheme	Numbers	5	4
	£	51,235	46,262
Local Government Pension Scheme	Numbers	1	1
	£	8,781	8,736

10 Governors' remuneration and expenses

The Principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, travel and subsistence payments totalling £nil (2013 - £nil) were reimbursed to the governors.

The value of governors' remuneration was as follows:

Mr L D Rippon, Head Teacher £120,000 - £125,000 (2013: £130,000 - £135,000)
Mr J Lloyd £50,000 - £55,000 (2013: £50,000 - £55,000)
Mr K Glover £45,000 - £50,000 (2013: £45,000 - £50,000)
Mrs P Goodall £20,000 - £25,000 (2013: £20,000 - £25,000)
Mr D Reynolds £15,000 - £20,000 (2013: £20,000 - £25,000)

The amounts disclosed above include pensions and salary. The comparatives cover a 13 month period.

Other related party transactions involving the governors are set out within the related parties note.

Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £3,194 (2013: £1,555).

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

11 Tangible fixed assets

	Land and buildings	Plant and machinery	Building adaptations	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2013	262,781	40,735	253,275	55,819	10,292	622,902
Additions	-	-	215,250	-	-	215,250
Disposals	-	-	-	(1,106)	(2,965)	(4,071)
At 31 August 2014	262,781	40,735	468,525	54,713	7,327	834,081
Depreciation						
At 1 September 2013	2,628	5,833	2,325	10,711	2,787	24,284
On disposals	-	-	-	-	(803)	(803)
Charge for the year	5,253	8,725	29,480	14,376	1,336	59,170
At 31 August 2014	7,881	14,558	31,805	25,087	3,320	82,651
Net book value						
At 31 August 2014	254,900	26,177	436,720	29,626	4,007	751,430
At 31 August 2013	260,153	34,902	250,950	45,108	7,505	598,617

12 Investment property

	Freehold investment property £
Valuation	
At 1 September 2013 and at 31 August 2014	275,000

The latest property valuation was performed by FHP Property Consultants, a firm of Independent Chartered Surveyors on 18 October 2013, on an open market value basis. This valuation was taken as the properties fair value at year end. The valuation is in accordance with the RICS appraisal and valuation manual.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

13 Debtors	2014	2013
	£	£
Trade debtors	-	32,735
Other debtors	51,551	92,919
Prepayments and accrued income	439,750	357,759
	<u>491,301</u>	<u>483,413</u>
	<u><u>491,301</u></u>	<u><u>483,413</u></u>
 14 Creditors: amounts falling due within one year	 2014	 2013
	£	£
Government loans	2,925	-
Trade creditors	58,122	377,772
Other creditors	105,500	-
Accruals	199,639	90,800
Deferred income (see note 16)	57,020	39,553
	<u>423,206</u>	<u>508,125</u>
	<u><u>423,206</u></u>	<u><u>508,125</u></u>
 15 Creditors: amounts falling due after more than one year	 2014	 2013
	£	£
Government loans	43,875	-
	<u>43,875</u>	<u>-</u>
 Analysis of loans	 2014	 2013
	£	£
Not wholly repayable within five years by instalments	46,800	-
	<u>46,800</u>	<u>-</u>
Less: included in current liabilities	(2,925)	-
	<u>43,875</u>	<u>-</u>
Amounts included above	43,875	-
	<u>43,875</u>	<u>-</u>
Instalments not due within five years	20,475	-
	<u>20,475</u>	<u>-</u>
 Loan maturity		
Debt due in one year or less	2,925	-
In more than one year but not more than two years	5,850	-
In more than two years but not more than five years	17,550	-
In more than five years	20,475	-
	<u>46,800</u>	<u>-</u>
	<u><u>46,800</u></u>	<u><u>-</u></u>

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

16	Deferred income	2014 £	2013 £
	Deferred income is included within:		
	Creditors due within one year	57,020	39,553
	Total deferred income at 1 September	39,553	35,945
	Amounts credited to the statement of financial activities	(39,553)	(17,208)
	Amounts deferred in the year	57,020	20,816
	Total deferred income at 31 August	57,020	39,553

Deferred income includes funds received in advance in relation to trips and rates which relate to 14/15.

17	Funds	Balance at 1 September 2013 £	Incoming resources £	Resources Gains, losses expended and transfers £	Balance at 31 August 2014 £
	Restricted general funds				
	General Annual Grant	(50,451)	6,798,812	(7,475,620)	779,840
	Other government grants	-	86,902	-	(86,902)
	Other restricted funds	-	724,522	-	(724,522)
	Funds excluding pensions	(50,451)	7,610,236	(7,475,620)	(31,584)
	Pension reserve	(1,590,000)	-	(53,000)	(23,000)
		(1,640,451)	7,610,236	(7,528,620)	(54,584)
	Restricted fixed asset funds				
	Restricted fixed asset funds	873,617	293,048	(57,181)	31,584
	Total restricted funds	(766,834)	7,903,284	(7,585,801)	(23,000)
	Unrestricted funds				
	General funds	417,842	37,650	-	-
	Total funds	(348,992)	7,940,934	(7,585,801)	(23,000)

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

17 Funds

(Continued)

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

- (i) General Annual Grant (GAG) must be used for the normal running costs of the academy.
- (ii) The other government grants fund is used to track grants provided by local and central government departments.
- (iii) The other restricted funds tracks grants, donations and other income arising from sources other than grants provided by central and local government departments.
- (iv) The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.
- (v) The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward as well as the current fixed assets held.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2014 are represented by:				
Tangible fixed assets	-	-	751,430	751,430
Fixed asset investments	-	-	275,000	275,000
Current assets	455,492	278,191	356,109	1,089,792
Creditors: amounts falling due within one year	-	(225,610)	(197,596)	(423,206)
Creditors: amounts falling due after one year	-	-	(43,875)	(43,875)
Defined benefit pension liability	-	(1,666,000)	-	(1,666,000)
	<u>455,492</u>	<u>(1,613,419)</u>	<u>1,141,068</u>	<u>(16,859)</u>

19 Pensions and similar obligations

The academy 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 Liverpool City 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 related to the period ended 31 March 2004 and of the LGPS 31 August 2014.

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

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, 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.

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

Valuation of the Teachers' Pension Scheme

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 (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#)

Teachers' Pension Scheme changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

(Continued)

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

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme, and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 13% per cent for employers and 5.5 - 12.5% per cent for employees. The estimated value of employer contributions for the forthcoming year is £181,000.

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.

	2014 £	2013 £
Employer's contributions	166,000	160,000
Employees' contributions	46,000	44,000
Total contributions	212,000	204,000

Principal actuarial assumptions

	2014 %	2013 %
Rate of increase in salaries	3.70	3.90
Rate of increase for pensions in payment	2.20	2.40
Discount rate for scheme liabilities	4.40	4.50
Inflation assumption (CPI)	2.20	2.40
Expected return on scheme assets at 31 August	5.73	5.95
Commutation of pensions to lump sums	50.00	50.00

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

(Continued)

Sensitivity analysis	+0.1% p.a. discount rate	+0.1% p.a. inflation	1 year increase in life expectancy
	£	£	£
Liabilities	2,484,000	2,601,000	2,586,000
Assets	(876,000)	(876,000)	(876,000)
Deficit/(surplus)	1,608,000	1,725,000	1,710,000
Projected Service Cost for next year	162,000	169,000	169,000
Projected Expected Return on Assets for next year	(53,000)	(53,000)	(53,000)
Projected Interest Cost for next year	106,000	108,000	108,000

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

	2014 Years	2013 Years
Retiring today		
- Males	24.7	21.8
- Females	25.2	24.7
Retiring in 20 years		
- Males	26.6	23.7
- Females	28.0	26.6

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2014 Expected return %	2014 Fair value £	2013 Expected return %	2013 Fair value £
Equities	7.0	527,000	7.0	238,000
Government bonds	2.9	120,000	3.4	63,000
Other bonds	3.8	20,000	4.4	11,000
Cash/liquidity	0.5	39,000	0.5	8,000
Property	6.2	68,000	5.7	35,000
Other assets	7.0	102,000	7	62,000
Total market value of assets		876,000		417,000
Present value of scheme liabilities - funded		(2,542,000)		(2,007,000)
Net pension asset / (liability)		(1,666,000)		(1,590,000)

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

(Continued)

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the following assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

The assumed investment return on government bonds is the yield on 20-year fixed interest gilts at the relevant date. As at 31 August 2013 this yield was 3.4% pa.

The actual return on scheme assets was £61,000.

Operating costs and income recognised in the statement of financial activities

	2014 £	2013 £
Financial expenditure/(income)		
Expected return on pension scheme assets	(31,000)	(16,000)
Interest on pension liabilities	95,000	82,000
	<u>64,000</u>	<u>66,000</u>
Other expenditure/(income)		
Current service cost	(11,000)	(14,000)
	<u>(11,000)</u>	<u>(14,000)</u>
Total operating charge/(income)	<u>53,000</u>	<u>52,000</u>

Actuarial gains and losses recognised in the statement of financial activities

	2014 £	2013 £
Actuarial (gains)/losses on assets: actual return less expected	(216,000)	(25,000)
Experience (gains)/losses on liabilities	239,000	39,000
(Gains)/losses arising from changes in assumptions	-	-
Total (gains)/losses	<u>23,000</u>	<u>14,000</u>
Cumulative (gains)/losses to date	<u>37,000</u>	<u>14,000</u>

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

(Continued)

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

	2014 £	2013 £
Opening defined benefit obligations	(2,007,000)	-
Obligations acquired on conversion	-	(1,664,000)
Current service cost	(155,000)	(146,000)
Interest cost	(95,000)	(82,000)
Contributions by employees	(46,000)	(44,000)
Actuarial gains/(losses)	(239,000)	(39,000)
Benefits paid	-	(32,000)
	<u>(2,542,000)</u>	<u>(2,007,000)</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	417,000	-
Assets acquired on conversion	-	140,000
Expected return on assets	31,000	16,000
Actuarial gains/(losses)	216,000	25,000
Contributions by employers	166,000	160,000
Contributions by employees	46,000	44,000
Benefits paid	-	32,000
	<u>876,000</u>	<u>417,000</u>

History of experience gains and losses:

	2014 £	2013 £
Present value of defined benefit obligations	(2,542,000)	(2,007,000)
Fair value of share of scheme assets	876,000	417,000
Surplus / (deficit)	<u>(1,666,000)</u>	<u>(1,590,000)</u>
Experience adjustment on scheme liabilities	(239,000)	(39,000)
Experience adjustment on scheme assets	216,000	25,000

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

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

	2014 £	2013 £
Net income	355,133	(334,992)
Capital grants and similar income	(158,790)	(141,772)
Assets inherited on conversion	-	(300,287)
Pension scheme deficit on conversion	-	1,524,000
Investment income	(9,239)	(716)
FRS17 pension costs less contributions payable	(11,000)	(14,000)
FRS17 pension finance income	64,000	66,000
Depreciation of tangible fixed assets	59,169	24,285
Profit on disposals of fixed assets	(881)	-
(Increase)/decrease in debtors	(7,888)	(483,413)
Increase/(decrease) in creditors	(177,598)	263,295
Net cash inflow from operating activities	112,906	602,400

21 Reconciliation of net cash flow to movement in net funds

	2014 £	2013 £
Increase in cash	206,388	392,103
EFA loans	(46,800)	-
Net funds at 1 September 2013	392,103	-
Net funds at 31 August 2014	551,691	392,103

22 Analysis of net funds

	At 1 September 2013 £	Cash flows £	Non-cash changes £	At 31 August 2014 £
Cash at bank and in hand	392,103	206,388	-	598,491
Debt due within one year	-	(2,925)	-	(2,925)
Debt due after one year	-	(43,875)	-	(43,875)
	-	(46,800)	-	(46,800)
Net balances	392,103	159,588	-	551,691

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

23 Commitments under operating leases

At 31 August 2014 the academy trust had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
- Within one year	-	-	27,194	48,590
- Between two and five years	-	-	114,369	87,657
- In over five years	14,300	14,300	-	-
	<u>14,300</u>	<u>14,300</u>	<u>141,563</u>	<u>136,247</u>

Land and buildings leases expiring after more than five years will expire on 1 April 2022.

In addition to the above, the majority of the land and buildings occupied by the Academy are subject to a Supplemental Agreement between the beneficial owners (The Trustees of the Brothers of Christian Instruction) and the Secretary of State. Under this agreement the Land and Buildings are made available at no cost for the use of the Academy for the shorter of, the duration of the funding agreement or, two years notice from the beneficial owners. The Academy has assigned a notional market rent of £492,000, which has been recognised as an expense in the Statement of financial activities as a support costs, with a corresponding notional donation under voluntary income.

24 Capital commitments

	2014	2013
	£	£
At 31 August 2014 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	<u>65,348</u>	<u>-</u>

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

25 Related parties

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

All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures, with an elevated scrutiny given the existence of the connected parties.

The following related party transactions took place in the period of account:

A relationship exists between E.B.C Construction and the school's business manager. During the year the academy purchased services to the value of £26,284 (2013 - £77,260) from E.B.C Construction. Included in accruals is £Nil (2013 - £25,350) due to E.B.C Construction.

A relationship exists between Kevin Fay and the deputy head teacher of KS3. During the year the academy purchased services to the value of £30,000 (2013 - £32,500) from Kevin Fay in his capacity as the school's careers advisor. £15,000 (2013 - £16,250) of this cost has been recharged to collaborative schools and colleges.

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.