Company Registration Number: 10236797 (England & Wales)

XAVIER CATHOLIC EDUCATION TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2017

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XAVIER CATHOLIC EDUCATION TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS FOR THE PERIOD ENDED 31 AUGUST 2017

Members

The Right Reverend Charles Philip Richard Moth, Bishop of Arundel and Brighton (appointed 16 June 2016)
Arundel & Brighton Roman Catholic Diocesan Corporation (appointed 16 June 2016)
Carole Ann Simonne Roycroft, Chair of Diocesian Academies Strategic Board (appointed 16 June 2016)

Trustees

Rev Peter Maurice Andrews (appointed 16 June 2016)
Maria Philomena Bridgette Dineen (appointed 15 May 2017)
Miroslaw Jerzy Feliks Gliniecki (appointed 16 June 2016)
Michael Patrick Harrington (appointed 16 June 2016)
Peter John O'Brien, Chair (appointed 16 June 2016)
Carole Ann Simonne Roycroft (appointed 16 June 2016)
John Bernard Wells (appointed 16 June 2016)
Rev Dr William John Dickson (appointed 16 June 2016, resigned 28 February 2017)

Company registered number

10236797

Company name

Xavier Catholic Education Trust

Principal and registered office

Salesian School
Guildford Road
Chertsey
Surrey
KT16 9LU

Chief executive officer

Ani Magill

Key management personnel

Ani Magill, CEO
Nicola Kenworthy, Chief Financial Officer
Martin Brannigan, Headteacher- St Alban's
Michael George, Headteacher- St Hugh of Lincoln
James Granville Hamshar, Headteacher- St John the Baptist
Stephen Holt, Headteacher- St Charles Borromeo
Jill Keany, Headteacher- Cardinal Newman
James Kibble, Headteacher- Salesian School
Stephen Tindall, Headteacher- The Holy Family
Leanne Simpson, Headteacher- St Anne's
Alison Walsh, Headteacher- St Augustine's

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS FOR THE PERIOD ENDED 31 AUGUST 2017

Advisers (continued)

Independent auditors

Wise & Co
Chartered Accountants & Statutory Auditors
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT

Bankers

Lloyds Bank Plc
32 Commercial Way
Woking
Surrey
GU21 6ER

Solicitors

Winckworth Sherwood LLP
London
SE1 9BB

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from the date of incorporation on 16 June 2016 to 31 August 2017.

The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

During the period the Trust operated seven primary schools and two secondary schools serving the Woking and Weybridge deaneries in the Catholic Diocese of Arundel and Brighton. All schools converted to academy status on 1 September 2016.

The schools are:

- Holy Family Catholic Primary School
- St Hugh of Lincoln Catholic Primary School
- St Augustine's Catholic Primary School
- St Charles Borromeo Catholic Primary School
- St Alban's Catholic Primary School
- St Anne's Catholic Primary School
- Cardinal Newman Catholic Primary School
- Salesian School
- St John the Baptist School

These schools have a combined pupil capacity of 4,628 and had a roll of 5,028 in the school census on October 2016.

On 1st November 2017 The Marist Catholic Primary School was accepted as an Academy within the Trust.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Xavier Catholic Education Trust are also the directors of the for the purposes of company law.

The charitable company is known as Xavier Catholic Education Trust.

Details of the Trustees who served during the period are included in the Reference and administrative details on page 1.

b. 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 for the debts and liabilities contracted before they ceased to be a member. The liability shall not exceed £10.

c. Trustees' indemnities

Trustees benefit from indemnity insurance (Risk Protection Arrangement) purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees of the Trust. The limit of the indemnity is £5,000,000 and is explained in the 'Governors Liability' section of the RPA.

d. Method of recruitment and appointment or election of Trustees

Full details are set out within the Articles of Association which detail the type, number and process of appointing Directors. The minimum total number of Directors is three but there is no maximum specified.

All Directors must, upon appointment or election, sign a written undertaking to the Trustees and the Diocesan Bishop to uphold the Objects of the Academy Trust and to adhere to the principles set out in the diocesan Memorandum of Understanding.

The term of office for any Trustee shall be four years except that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a Trustee, any Trustee may be reappointed or re-elected.

When appointing new Trustees, the Board will consider the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

e. Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. All Trustees have access to copies of policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as Trustees.

f. Organisational structure

The Board of Directors has the ultimate responsibility for The Xavier Catholic Education Trust. Where appropriate, duties are delegated to an Academy Committee.

The Chief Executive has ultimate responsibility for the financial operations and controls in place. Delegation of financial responsibility is set out within the Company's Finance Policy and more specifically in the Scheme of Financial Delegation.

Leadership and Management of each school within the Multi Academy Trust is delegated by Directors to the Senior Leadership Team of each school.

The Board of Directors maintains overall control for:

- The activities and performance of the Trust.
- The appointment of Directors and Academy Representatives.
- *Headteacher and Deputy Headteacher appointments*
- The approval of Annual Financial Statements and Budgets.
- Ratifying policies and procedures implemented within the Company.

The Board, in the performance of its duties, pays due regard to the advice and information provided by the supporting committees and Academy Committees

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

The Trust Finance Committee has the responsibility to establish a pay policy which sets out clearly the basis on which decisions about pay progression for the Headteachers, senior employees and leaders in the Trust will be determined, including:

- Considering and determining the annual performance-related pay progression increases and other terms and conditions of the Headteachers, taking account of budgetary implications;
- Considering and determining the annual pay and other terms and conditions of the senior employees and leaders in the Trust, taking account of budgetary implications;
- Establishing procedures for determining appeals against pay determinations;
- Keeping the pay policy under regular review;
- Dealing with any other matters referred to the Committee by the Board of Directors relating to the remuneration and terms and conditions of the Headteachers, senior employees and leaders.

Objectives and Activities

a. Objects and aims

Our mission is to provide an outstanding Catholic education for all the children in our schools. We will follow the example and teachings of Christ and everything we do will be inspired by gospel values. We will strive for excellence in all areas of our work and cherish every child in our care.

The aim of the Trust is to provide the children in our care with the best possible education within a caring and supportive Catholic ethos. The Trust has at the centre of its mission and purpose the belief that every child has a right to educational excellence through the provision of high quality teaching.

We will support the spiritual, moral, social, cultural and physical development of each child, as well as maximising progress, achievement and attainment to ensure their intellectual growth and fulfilment of their potential.

We work together to train, develop and retain teachers, support staff and leaders.

To work together closely and support each other to strengthen our Catholic schools and to achieve economies of scale by being part of a larger buying group.

b. Public benefit

The Directors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers and duties. They have referred to this guidance when reviewing the Company's aims and objectives and in planning its future activities.

Strategic report

Achievements and performance

a. Key performance indicators

A Levels

Both secondary schools achieved another year of outstanding results:

St John the Baptist (SJB) School -
75% A*, A or B grade and 92 % A* to C with an overall pass rate of 100%
78% of students achieved two or more grades A*-B

Salesian School -
72% of scores reported were A*, A or B grades or equivalent (including 35% A and A*) and the overall pass rate was 100%.

GCSE

The percentage of students who achieved:

- 5 or more passes including English and Maths was 93% for Salesian and 94% for SJB
- A*-A grade passes were 44% Salesian and 48% SJB
- The new English results were 99% standard (grade 4+); 91% strong (grade 5+) for Salesian and 96% / 91% for SJB
- The new Maths results were 94% standard (grade 4+); 84% strong (grade 5+) for Salesian and 96% / 79% for SJB
- English and Maths combined results were 93% standard; 81% strong for Salesian and 94% standard / 78% strong for SJB

The progress 8 score for Salesian is 0.78 and for SJB 1.15 (over achievement per child per subject).

Primary School Progress Ranking data

School	Reading percentile	Writing percentile	Maths percentile
Cardinal Newman Catholic Primary School	22	36	16
St Alban's Catholic Primary School	13	17	15
St Hugh of Lincoln Catholic Primary School	43	67	77
St Charles Borromeo Catholic Primary School	18	34	18
St Anne's Catholic Primary School	25	68	56
Holy Family Catholic Primary School	Top 5%	13	Top 5%
St Augustine's Catholic Primary School	32	22	40

b. 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. The trustees believe that the likelihood of the pension deficit in the accounts crystalising is remote, and without this deficit the Trust is solvent. For this reason, the trustees believe that the Trust can 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.

Financial review

a. Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Reserves are held for reinvestment in individual schools, for specific capital projects, curriculum investment and to mitigate the impact of reductions to funding.

b. Material investments policy

Xavier Catholic Education Trust does not have any material investments.

The Trust's Investment Policy enables trustees to invest to further the trust's charitable aims, whilst ensuring that investment risk is properly managed. The policy ensures that the security of funds takes precedence over revenue maximisation.

c. Principal risks and uncertainties

The principal risks facing the Trust are considered to be:

- the financial impact of future changes to funding levels from the DfE/ESFA
- Teacher recruitment and retention
- Condition of property in some schools

Mitigating actions have been identified to address these risks.

d. Financial review

The Trust's first accounting period covers the period from incorporation on 16 June 2016 to 31 August 2017.

The majority of the Trust's income is derived from the Department for Education (DfE) via the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period to 31 August 2017, and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The education arena is increasingly pressured because of the ongoing uncertainty regarding national funding and the reduction in the Educational Support Grant. Increasing costs, especially national insurance and pension contributions, add to the challenges, particularly as a large proportion of all school costs are staff related. The schools in our Trust are making budget adjustments to match funding levels.

Plans for future periods

a. Future developments

The Marist Catholic Primary School joined the Trust on 1st November 2017.

The Key Priorities of the Trust in 2017/18 are to:

- Drive systems to ensure that achievement and progress meet the criteria for good/outstanding in all schools
- Drive consistency in planning and delivery of lessons using subject experts to share expertise, thus improving student outcomes
- Continue to develop succession plans for school leadership teams
- Develop centralised CPD, consistent performance management and career progression for staff
- Improve data recording and analysis to generate more robust progress figures and facilitate a seamless system of transfer and access to data across the Trust
- Continue work to improve/ enhance condition of school premises
- Develop options for further capacity / resource for central team.
- Continue work to develop centrally driven supplier contracts
- Seek out and develop opportunities for income growth across all schools
- Further free up capacity for member schools by removing tasks which can be developed and delivered centrally
- Deliver outstanding pastoral care in all our schools and ensure that our schools are good or outstanding in the provisions of section 48 of The Education Act 2005
- Further develop the good links with our parishes and local communities and work towards chaplaincy support in all our schools

Funds held as Custodian Trustee on behalf of others

The Trust and its Trustees do not act as the Custodian Trustees of any other charity.

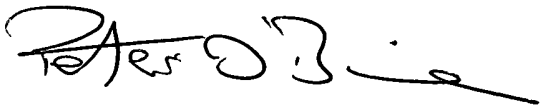
TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 14 December 2017 and signed on its behalf by:



Peter J O'Brien
Chair of Trustees

GOVERNANCE STATEMENT

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Xavier Catholic Education 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.

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Xavier Catholic Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors 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 Directors has formally met 9 times during the period. Attendance during the period at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Rev Peter Maurice Andrews	8	9
Rev Dr William John Dickson (resigned 28.02.2017)	5	6
Maria Philomena Bridgette Dineen	2	2
Miroslaw Jerzy Feliks Gliniecki	9	9
Michael Patrick Harrington	9	9
Peter John O'Brien, Chair	9	9
Carole Ann Simonne Roycroft	9	9
John Bernard Wells	9	9

The Board completed an interim evaluation of its effectiveness in the summer of 2017 and will complete this exercise in the winter of 2017/18.

Finance committee

To consider and advise the Board on all aspects of the Trust's finances, financial policies, controls and strategy and to ensure sound management of the Company's finances and resources, proper planning, monitoring, probity and value for money.
Attendance at meetings in the period was as follows:

Director	Meetings attended	Out of a possible
Miroslaw Jerzy Feliks Gliniecki	5	5
Ani Magill	5	5
Peter John O'Brien	5	5
John Bernard Wells, Chair	5	5
Carole Ann Simonne Roycroft	1	1
Maria Philomena Bridgette Dineen	1	1

Also in attendance is Nicola Kenworthy, the Trust's Chief Financial Officer

Risk and Audit Committee

To maintain an oversight of the Trust's governance, risk management, and internal control framework, and report its findings to the Board of Directors as a critical element of the Company's annual reporting requirements.

Any major issues or risks identified from the work of the Committee together with recommended solutions, will be referred to the Board of Directors for ratification and inclusion within the Trust's Risk Management register

Attendance at meetings in the period was as follows:

Director	Meetings attended	Out of a possible
Rev Peter Maurice Andrews	4	4
Miroslaw Jerzy Feliks Gliniecki	4	4
Ani Magill	4	4
John Bernard Wells	2	4
Maria Philomena Bridgette Dineen	1	1

Human Resource Committee

To consider and advise the Board on all aspects of strategy for management and development of our people and on all aspects of HR provision and Employment Law.

Attendance at meetings in the period was as follows:

Director	Meetings attended	Out of a possible
Rev Dr William John Dickson	1	2
Michael Patrick Harrington, Chair	4	4
Ani Magill	4	4
Peter John O'Brien	2	2
Carole Ann Simonne Roycroft	3	4

Review of Value for Money

The Chief Executive has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Chief Executive understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Chief Executive considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Directors where value for money can be improved. Benchmarking data is utilised where available. The Chief Executive for the Trust has delivered improved value for money during the year as follows:

Centralised:

- Training and Best Practice forums
- Supplier Contracts, developed or in course of development for schools e.g. Broadband, General building maintenance, Fire alarm maintenance, Grounds Maintenance
- Policy Development
- Network Management
- HR Support

Financial Governance and Oversight

Financial governance and oversight is strong. The Chief Financial Officer and Trust Accountant are qualified accountants. Financial assurance is further informed by regular review reports from the internal audits undertaken.

The Board of Directors approve the budget following detailed scrutiny by the Finance, Human Resources, and

The Finance Committee meet termly, where the management accounts and budget monitoring report are reviewed and discussed. In addition, the Committee considers larger expenditure items in accordance with the Trust's Finance Policy, and ensures compliance with the Trust's tender arrangements.

The Board of Directors receives and approves the annual financial statements and the external auditor's management letter.

Better Purchasing

The Trust promotes fair competition through quotations and tenders, in accordance with its Finance Policy, to ensure that goods and services are procured in the most economic and effective way.

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 Xavier Catholic Education Trust for the period 16 June 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Directors 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. There is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the period to 31 August 2017 and up to the date of approval of this annual report and financial statements. This process is regularly reviewed by the Board of Directors.

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:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- Termly 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 guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint Wise and Co as internal auditor.

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

- Testing of purchases and payment processes
- Management reporting
- Testing bank and control account reconciliations
- Testing income
- Testing payroll processes

The internal auditor reports to the Board of Directors through the finance committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Directors.

Review of Effectiveness

The Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- 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 Chief Executive has been advised of the implications of the result of these review of the system of internal control by the relevant Trust Committees.

Approved by order of the members of the Board of Directors on 14 December 2017 and signed on their behalf, by:

Peter J O'Brien
Chair of Trustees

Ani Magill
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Xavier Catholic Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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.

Ani Magill
Accounting Officer

Date: 14 December 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE PERIOD ENDED 31 AUGUST 2017

The Trustees (who act as governors of Xavier Catholic Education 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 issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

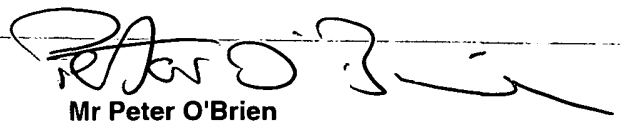
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mr Peter O'Brien
Chair of Trustees

Date: 14 December 2017

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF XAVIER CATHOLIC EDUCATION TRUST

We have audited the financial statements of Xavier Catholic Education Trust for the period ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2016 to 2017 issued by the Education Funding Agency.

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education Funding Agency.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF XAVIER CATHOLIC EDUCATION TRUST

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

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 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.

M. Dickinson

Mark Dickinson FCA (Senior statutory auditor)
for and on behalf of
Wise & Co
Chartered Accountants & Statutory Auditors
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT
Date: 18/12/2017

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO XAVIER CATHOLIC EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 07/07/2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Xavier Catholic Education Trust during the period 16 June 2016 to 31 August 2017 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 Xavier Catholic Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Xavier Catholic Education 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 Xavier Catholic Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Xavier Catholic Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Xavier Catholic Education Trust's funding agreement with the Secretary of State for Education dated 30 August 2016, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 16 June 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO XAVIER CATHOLIC EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY (continued)

APPROACH (continued)

As a firm we have taken the decision to use the Mercia work programme for regularity assurance work as approved by the ICAEW. The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
Further testing and review of the areas identified through the risk assessment including enquiry;
Identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 16 June 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

M. Dickinson

Mark Dickinson FCA

Wise & Co
Chartered Accountants & Statutory Auditors
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT

Date: 18/12/2017

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Income from:					
Donations & capital grants:					
Transfer from local authority on conversion	2	**2,044,059**	**(4,743,749)**	**495,206**	**(2,204,484)**
Other donations and capital grants	2	**108,363**	**258,783**	**2,592,884**	**2,960,030**
Charitable activities:	3				
Academy trust educational operations		**-**	**22,603,863**	**45,567**	**22,649,430**
Teaching schools		**-**	**2,032,624**	**-**	**2,032,624**
Other trading activities	4	**1,797,306**	**563,141**	**-**	**2,360,447**
Investments	5	**5,536**	**1,139**	**-**	**6,675**
Total income		**3,955,264**	**20,715,801**	**3,133,657**	**27,804,722**
Expenditure on:					
Charitable activities:					
Academy trust educational operations		**1,218,071**	**24,224,262**	**2,421,079**	**27,863,412**
Teaching schools		**-**	**1,886,311**	**-**	**1,886,311**
Governance		**-**	**310,796**	**-**	**310,796**
Total expenditure	8	**1,218,071**	**26,421,369**	**2,421,079**	**30,060,519**
Net income / (expenditure) before transfers		**2,737,193**	**(5,705,568)**	**712,578**	**(2,255,797)**
Transfers between Funds	19	**(86,203)**	**(691,238)**	**777,441**	**-**
Net income / (expenditure) before other recognised gains and losses		**2,650,990**	**(6,396,806)**	**1,490,019**	**(2,255,797)**
Actuarial gains on defined benefit pension schemes	24	**-**	**1,299,000**	**-**	**1,299,000**
Net movement in funds		**2,650,990**	**(5,097,806)**	**1,490,019**	**(956,797)**
Reconciliation of funds:					
Total funds brought forward		**-**	**-**	**-**	**-**
Total funds carried forward		**2,650,990**	**(5,097,806)**	**1,490,019**	**(956,797)**

All of the academy's activities derive from acquisitions in the current financial period.

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £
Fixed assets			
Tangible assets	15		**503,839**
Current assets			
Debtors	16	**804,366**	
Cash at bank and in hand		**6,144,278**	
		6,948,644	
Creditors: amounts falling due within one year	17	**(2,192,280)**	
Net current assets			**4,756,364**
Total assets less current liabilities			**5,260,203**
Creditors: amounts falling due after more than one year	18		**(240,000)**
Net assets excluding pension scheme liabilities			**5,020,203**
Defined benefit pension scheme liability	24		**(5,977,000)**
Net liabilities including pension scheme liabilities			**(956,797)**
Funds of the academy			
Restricted income funds:			
Restricted income funds	19	**879,194**	
Restricted fixed asset funds	19	**1,490,019**	
Restricted income funds excluding pension liability		**2,369,213**	
Pension reserve		**(5,977,000)**	
Total restricted income funds			**(3,607,787)**
Unrestricted income funds	19		**2,650,990**
Total deficit			**(956,797)**

The financial statements on pages 20 to 52 were approved by the Trustees, and authorised for issue, on 14 December 2017 and are signed on their behalf, by:

Peter J O'Brien
Chair of Trustees

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2017

	Note	Period ended 31 August 2017 £
Cash flows from operating activities		
Net cash used in operating activities	21	**(365,686)**
Capital grants from DfE/ESFA		**1,634,249**
Capital funding received from sponsors and others		**928,634**
Cash from local authority on conversion		**3,677,081**
Net cash provided by investing activities		**6,239,964**
Cash flows from financing activities:		
Repayments of borrowings		**(30,000)**
Cash inflows from new borrowing		**300,000**
Net cash provided by financing activities		**270,000**
Change in cash and cash equivalents in the period		**6,144,278**
Cash and cash equivalents brought forward		**-**
Cash and cash equivalents carried forward	22	**6,144,278**

All of the cash flows are derived from acquisitions in the current financial period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2017

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Xavier Catholic Education Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. The Trustees believe that the likelihood of the pension deficit in the accounts crystalising is remote, and without this deficit the Trust is solvent. For this reason, the trustees have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy 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.

1. Accounting policies (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account 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 when there is entitlement 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.

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

Occupation of the school land and buildings has been granted by way of a supplement agreement with The Arundel & Brighton Diocese. The academy's Trustees are unable to find a suitable way to value the rent value of the properties. As a result the donated rental services and related cost have not been recognised in the accounts.

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

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

1. Accounting policies (continued)

1.4 Expenditure

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

Donated services are measured at their fair value, unless it is impractical to measure this reliably. The gain is recognised as income from donations and a corresponding amount in included in the appropriate expenditure category. The academy has not recognised a cost for the rent-free use of premises granted under licence by the Diocese, as the Trustees do not believe that the rental value can be reliably determined.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All individual assets costing more than £5,000 and any capital projects with a total value of more than £25,000 are capitalised. Capitalised assets are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

1. Accounting policies (continued)

Motor vehicles	-	20% straight line
Office equipment	-	20% straight line
Computer equipment	-	33% straight line

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

1.6 Debtors

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

1.7 Cash at Bank and in hand

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

1.8 Liabilities and provisions

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

1.9 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement 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 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 17 and 18. 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 instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1. Accounting policies (continued)

1.10 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1. Accounting policies (continued)

1.12 Conversion to an academy trust

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 all schools to an academy 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 Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 23.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

1. Accounting policies (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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 2017. 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. Income from donations and capital grants

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Transfer from local authority on conversion	**2,044,059**	**(4,743,749)**	**495,206**	**(2,204,484)**
Donations	**108,363**	**258,783**	**30,000**	**397,146**
Capital Grants	**-**	**-**	**2,562,884**	**2,562,884**
	2,152,422	**(4,484,966)**	**3,088,090**	**755,546**

3. Funding for Academy's educational operations

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
DfE/ESFA grants			
General annual grant (GAG)	-	20,179,956	20,179,956
Universal infant free school meals	-	358,560	358,560
Rates relief	-	117,110	117,110
Sports grant	-	68,199	68,199
Pupil premium	-	389,512	389,512
Other ESFA/DfE grants	-	40,847	40,847
Start up grants	-	307,000	307,000
Devolved formula capital	-	45,567	45,567
	-	21,506,751	21,506,751
Other government grants			
Special education needs (SEND)	-	758,912	758,912
Teaching schools- grant income	-	1,711,258	1,711,258
Other local authority	-	383,768	383,768
	-	2,853,938	2,853,938
Other funding			
Teaching schools- other	-	321,365	321,365
	-	321,365	321,365
	-	24,682,054	24,682,054

4. Other trading activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Lettings income	158,110	-	158,110
Staff insurance income	-	26,404	26,404
Other income	288,383	536,737	825,120
Wraparound care	132,201	-	132,201
Catering income	277,641	-	277,641
School trips income	940,971	-	940,971
	1,797,306	563,141	2,360,447

5. Investment income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Short term deposits	5,536	1,139	6,675

6. Direct costs

	Academy trust educational £	Total 2017 £
Finance cost (FRS102 adjustment)	129,000	129,000
Teaching & educational support	32,406	32,406
Educational supplies	718,564	718,564
Technology costs	343,117	343,117
Examination fees	277,466	277,466
Educational consultancy	359,778	359,778
Catering	564,274	564,274
Staff related insurance	73,445	73,445
Staff development	90,327	90,327
Other staff costs	109,318	109,318
Other direct costs	830,606	830,606
Wages and salaries	12,878,261	12,878,261
National insurance	1,248,276	1,248,276
Pension cost (including FRS102 adjustment of £699,000)	2,919,164	2,919,164
	20,574,002	20,574,002

7. Support costs

	Governance £	Academy trust educational £	Total 2017 £
Maintenance of premises	-	514,441	514,441
Maintenance of equipment	-	41,060	41,060
Cleaning	-	202,793	202,793
Water rates	-	44,006	44,006
Energy	-	286,246	286,246
Other premises costs	-	60,906	60,906
Rates	-	120,030	120,030
Insurance	-	95,342	95,342
Security & transport	-	23,371	23,371
Technology costs	-	260,513	260,513
Non-educational consultancy	-	404,599	404,599
Other support costs	-	404,068	404,068
Teaching schools- bursaries and placement fees	-	741,908	741,908
Capital projects	-	2,379,434	2,379,434
Accountancy	15,600	-	15,600
Legal & professional	236,446	-	236,446
Other governance	22,500	-	22,500
Audit costs	36,250	-	36,250
Wages and salaries	-	2,687,117	2,687,117
National insurance	-	191,238	191,238
Pension cost	-	677,005	677,005
Depreciation	-	41,644	41,644
	310,796	9,175,721	9,486,517

8. Expenditure

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £
Academy trust educational:				
Direct costs	17,078,107	-	3,495,895	20,574,002
Support costs	3,560,819	575,347	5,039,555	9,175,721
	20,638,926	575,347	8,535,450	29,749,723

Direct staff costs include agency costs of £32,406, included within teaching and educational support costs.

Support staff costs include £5,460 of other payroll payments, included in non-educational consultancy.

9. Net income/(expenditure)

This is stated after charging:

	Period ended 31 August 2017 £
Depreciation of tangible fixed assets:	
- owned by the charity	**41,644**
Auditors' remuneration - audit	**36,250**
Auditors' remuneration - other services	**3,300**
Governance Internal audit costs	**12,300**

10. Staff costs

Staff costs were as follows:

	Period ended 31 August 2017 £
Wages and salaries	15,513,021
Social security costs	1,439,514
Operating costs of defined benefit pension schemes	3,596,168
	20,548,703
Apprenticeship levy	25,908
Supply teacher costs	32,406
Staff restructuring costs	26,449
Other costs	5,460
	20,638,926

Staff restructuring costs comprise:

	Period ended 31 August 2017 £
Redundancy payments	5,499
Severance payments	20,950
	26,449

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £19,005. Individually, the payments were £105 and £18,900.

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

	Period ended 31 August 2017 No.
Teachers	284
Administration and support	398
Management	41
	723

10. Staff costs (continued)

Average headcount expressed as a full time equivalent:

	Period ended 31 August 2017 No.
Teachers	231
Administration and support	214
Management	37
	482

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

	Period ended 31 August 2017 No.
In the band £60,001 - £70,000	9
In the band £70,001 - £80,000	3
In the band £80,001 - £90,000	1
In the band £90,001 - £100,000	1
In the band £130,001 - £140,000	1

Twelve of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2017, pension contributions for these staff amounted to £144,890.

Another two of the above employees participated in the Local Government Pension Scheme. During the period ended 31 August 2017, pension contributions for these staff amounted to £32,999.

The key management personnel of the academy trust comprise the trustees and the senior management teams of the schools within the Trust. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £954,703.

11. Central services

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

- Educational Support Services
- Financial Services
- Human Resources
- IT Services
- Estates Management

The academy trust charges for these services on the following basis:

Each school in the MAT pays a partnership contribution equal to the ESG they received during the year.

The actual amounts charged during the year were as follows:

	Period ended 31 August 2017 £
St Alban's	**17,402**
St Augustine's	**33,033**
St Anne's	**35,266**
St Charles Borromeo	**17,864**
Cardinal Newman	**31,878**
Holy Family	**16,555**
St Hugh of Lincoln	**16,478**
St John the Baptist	**95,018**
Salesian	**112,651**
Total	**376,145**

12. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration.
During the period, no Trustees received any benefits in kind.
During the period ended 31 August 2017, expenses totalling £593 were reimbursed to 3 Trustees.

13. Trustees' and Officers' Insurance

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

14. Other finance income

	Period ended 31 August 2017 £
Interest income on pension scheme assets	115,000
Interest on pension scheme liabilities	(244,000)
	(129,000)

15. Tangible fixed assets

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost					
Additions	-	-	-	50,278	50,278
Transferred on conversion	400,000	19,822	31,556	43,827	495,205
At 31 August 2017	400,000	19,822	31,556	94,105	545,483
Depreciation					
Charge for the period	-	3,964	6,311	31,369	41,644
At 31 August 2017	-	3,964	6,311	31,369	41,644
Net book value					
At 31 August 2017	400,000	15,858	25,245	62,736	503,839

School land & buildings

On 1 September 2016 the schools converted to academy trust status and all the operations and assets and liabilities were transferred to Xavier Catholic Education Trust from the Bishop of Arundel & Brighton and the Trustees for nil consideration. In accordance with the terms of the supplemental agreement with The Arundel & Brighton Roman Catholic Diocesian Corporation Limited, the academy pays no rent.

The Arundel & Brighton Diocese owns the freehold of the school land and buildings. The Academy occupies the site under a licence. The Supplemental Agreement includes the right for the Diocesan Trustees to give not less than 2 years' written notice to the Academy and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

The Diocese retain ownership and control of the school site and so this does not meet the definition of a fixed asset. As a result no transfer on conversion has been recognised in the accounts.

16. Debtors

	2017 £
Trade debtors	98,273
VAT recoverable	241,739
Other debtors	20,651
Prepayments and accrued income	443,703
	804,366

17. Creditors: Amounts falling due within one year

	2017 £
Other loans	30,000
Trade creditors	564,919
Other taxation and social security	372,635
Other creditors	342,796
Accruals and deferred income	881,930
	2,192,280

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

	2017 £
Other loans	240,000

Creditors include amounts not wholly repayable within 5 years as follows:

	2017 £
Repayable by instalments	120,000

Prior to conversion an interest-free loan of £300,000 was made by the Diocese to St John the Baptist School. This was inherited on conversion and is repayable in equal instalments over a term of 10 years. The final repayment is expected to be made in the year ended 31 August 2026.

19. Statement of funds

	Balance at 16 June 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Designated funds						
School funds	-	2,198,590	(1,130,818)	(278,438)	-	789,334
General funds						
General unrestricted	-	1,756,674	(87,253)	192,235	-	1,861,656
Total Unrestricted funds	-	3,955,264	(1,218,071)	(86,203)	-	2,650,990
Restricted funds						
General annual grant (GAG)	-	20,179,956	(20,693,022)	513,066	-	-
Start up grants	-	307,000	(307,000)	-	-	-
Pupil premium	-	389,512	(389,512)	-	-	-
Teaching schools	-	2,072,112	(1,886,311)	(30,311)	-	155,490
Other grants	-	1,727,396	(1,727,396)	-	-	-
Other income	-	422,613	(546,112)	123,499	-	-
Governors' funds	-	2,065,212	(44,016)	(1,297,492)	-	723,704
Pension reserve	-	(6,448,000)	(828,000)	-	1,299,000	(5,977,000)
	-	20,715,801	(26,421,369)	(691,238)	1,299,000	(5,097,806)
Restricted fixed asset funds						
Inherited fixed assets	-	495,206	(24,885)	-	-	470,321
LCVAP	-	509,129	(1,236,283)	727,154	-	-
School condition allocation	-	1,125,120	(305,351)	-	-	819,769
Devolved formula capital	-	45,567	(29,157)	-	-	16,410
Other capital grants	-	928,635	(808,644)	9	-	120,000
Other fixed assets	-	-	(16,759)	50,278	-	33,519
Other income	-	30,000	-	-	-	30,000
	-	3,133,657	(2,421,079)	777,441	-	1,490,019
Total restricted funds	-	23,849,458	(28,842,448)	86,203	1,299,000	(3,607,787)
Total of funds	-	27,804,722	(30,060,519)	-	1,299,000	(956,797)

19. Statement of funds (continued)

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

Designated Funds

- School funds are designated by the Trustees for use against future events and activities.

Restricted Funds

- The general annual grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency (ESFA) by the Department for Education. The general annual grant fund has been set up because the GAG must be used for the normal running costs of the academy.
- Start-up grants represents Academy Conversion Support grants and a Primary Academy Chain Development Grant. All the income received was fully expended during the year. Expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.
- The pupil premium fund represents the restricted pupil premium income received for the purposes of supporting children who have been eligible for free school meals at any point in the last six years. The relevant expenditure incurred is recorded through this fund.
- The Teaching Schools fund has been created to recognise the restricted funding received from the Department for Education to cover the operating costs associated with the running of the Teaching School. This fund also includes other income generated by the school towards Teaching Schools.
- The other grants fund includes grants received from the DfE, EFSA and Local Authority. All of the income received was fully expended during the year. Expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.
- The other income fund has been created to recognise all sundry sources of restricted income from various sources that are individually immaterial in value. The relevant restricted expenditure is then also recorded through this fund.
- The governors' fund has been created to recognise donations received which are to be used for restricted purposes.
- The pension reserve fund has been created to separately identify the LGPS pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

Restricted Fixed Asset Funds

- The inherited fixed assets fund has been set up to recognise the tangible assets gifted to the Trust upon conversion which represent freehold land and all material items of plant and machinery. Depreciation charged on inherited assets is allocated to this fund.
- The LCVAP fund recognises the capital projects undertaken by the Trust that have been funded by LCVAP. The transfers into this fund represent the school and governors' contributions towards these projects.
- The School Condition Allocation fund has been set up to recognise the capital grant funding received by the Trust for capital expenditure projects.
- The Devolved Formula Capital fund represents grants from the local authority for capital maintenanceof the Trusts school sites.
- Other capital grants are grants received from the Local Authority and the Big Lottery Fund for school expansion projects.
- The other fixed assets fund represents capital additions which are non-capital grant funded. Depreciation charged on inherited assets is allocated to this fund.
- Other income is donations received for a capital project.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

19. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £
St Augustine's Catholic Primary School	**135,157**
St Alban's Catholic Primary School	**396,312**
St Anne's Catholic Primary School	**158,365**
St Charles Borromeo Catholic Primary and Nursery	**252,755**
Cardinal Newman Catholic Primary School	**177,537**
The Holy Family Catholic Primary School	**76,198**
St Hugh of Lincoln Primary School	**128,869**
Salesian School	**1,790,781**
St John the Baptist School	**381,799**
Central	**32,411**
Total before fixed asset fund and pension reserve	**3,530,184**
Restricted fixed asset fund	**1,490,019**
Pension reserve	**(5,977,000)**
Total	**(956,797)**

19. Statement of 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 & FRS102 pension adjustment £	Total 2017 £
St Augustine's Catholic Primary School	1,122,585	177,584	21,108	338,165	1,659,442
St Alban's Catholic Primary School	606,489	167,986	44,646	205,307	1,024,428
St Anne's Catholic Primary School	1,377,504	201,713	44,530	231,635	1,855,382
St Charles Borromeo Catholic Primary and Nursery	708,627	110,212	61,367	286,110	1,166,316
Cardinal Newman Catholic Primary School	1,109,649	197,070	69,110	270,924	1,646,753
The Holy Family Catholic Primary School	566,813	123,033	45,299	143,610	878,755
St Hugh of Lincoln Primary School	585,171	77,907	30,981	177,642	871,701
Salesian School	4,986,681	1,574,826	213,923	2,466,029	9,241,459
St John the Baptist School	4,908,976	834,527	484,662	2,416,604	8,644,769
Central	406,607	95,961	12,134	1,687,161	2,201,863
	16,379,102	3,560,819	1,027,760	8,223,187	29,190,868

Summary of funds - current year

	Balance at 16 June 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Designated funds	-	2,198,590	(1,130,818)	(278,438)	-	789,334
General funds	-	1,756,674	(87,253)	192,235	-	1,861,656
	-	3,955,264	(1,218,071)	(86,203)	-	2,650,990
Restricted funds	-	20,715,801	(26,421,369)	(691,238)	1,299,000	(5,097,806)
Restricted fixed asset fund	-	3,133,657	(2,421,079)	777,441	-	1,490,019
	-	27,804,722	(30,060,519)	-	1,299,000	(956,797)

20. Analysis of net assets between funds

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	503,839	503,839
Current assets	2,745,449	3,217,015	986,180	6,948,644
Creditors due within one year	(94,459)	(2,097,821)	-	(2,192,280)
Creditors due in more than one year	-	(240,000)	-	(240,000)
Provisions for liabilities and charges	-	(5,977,000)	-	(5,977,000)
	2,650,990	(5,097,806)	1,490,019	(956,797)

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Period ended 31 August 2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(2,255,797)
Adjustment for:	
Depreciation charges	41,644
Increase in debtors	(804,366)
Increase in creditors	2,162,280
Capital grants from DfE and other capital income	(2,562,883)
Defined benefit pension scheme obligation inherited	6,448,000
Defined benefit pension scheme cost less contributions payable	699,000
Defined benefit pension scheme finance cost	129,000
Net (loss) on assets and liabilities from local authority on conversion	(4,222,564)
Net cash used in operating activities	(365,686)

22. Analysis of cash and cash equivalents

	Period ended 31 August 2017 £
Cash in hand	5,994,278
Notice deposits (less than 3 months)	150,000
Total	6,144,278

23. Conversion to an academy trust

On 1 September 2016 St Augustine's Catholic Primary School, St Alban's Catholic Primary School, St Anne's Catholic Primary School, St Charles Borromeo Catholic Primary School, Cardinal Newman Catholic Primary School, The Holy Family Catholic Primary School, St Hugh of Lincoln Catholic Primary School, Salesian School and St John the Baptist School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Xavier Catholic Education Trust from Surrey County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the Statement of financial activities incorporating income and expenditure account as Donations - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

Xavier Catholic Education Trust

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	16,775	-	-	16,775
LGPS pension surplus/(deficit)	-	(4,449,000)	-	(4,449,000)
Net assets/(liabilities)	16,775	(4,449,000)	-	(4,432,225)

Other assets consist of inherited funds relating to the SCITT. These were held by St John the Baptist School on conversion. A corresponding creditor is included in St John's assets on conversion balance.

St Augustine's Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	82,581	46,379	-	128,960
LGPS pension surplus/(deficit)	-	(175,000)	-	(175,000)
Net assets/(liabilities)	82,581	(128,621)	-	(46,040)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2017

St Alban's Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	233,001	57,442	-	290,443
LGPS pension surplus/(deficit)	-	(69,000)	-	(69,000)
Net assets/(liabilities)	233,001	(11,558)	-	221,443

St Anne's Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	55,334	84,141	-	139,475
LGPS pension surplus/(deficit)	-	(180,000)	-	(180,000)
Net assets/(liabilities)	55,334	(95,859)	-	(40,525)

St Charles Borromeo Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	118,701	74,869	-	193,570
LGPS pension surplus/(deficit)	-	(159,000)	-	(159,000)
Net assets/(liabilities)	118,701	(84,131)	-	34,570

Cardinal Newman Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	95,814	54,774	-	150,588
LGPS pension surplus/(deficit)	-	(209,000)	-	(209,000)
Net assets/(liabilities)	95,814	(154,226)	-	(58,412)

The Holy Family Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	47,620	6,257	-	53,877
LGPS pension surplus/(deficit)	-	(72,000)	-	(72,000)
Net assets/(liabilities)	47,620	(65,743)	-	(18,123)

St Hugh of Lincoln Catholic Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	81,557	29,569	-	111,126
LGPS pension surplus/(deficit)	-	(78,000)	-	(78,000)
Net assets/(liabilities)	81,557	(48,431)	-	33,126

Salesian School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other assets	1,240,205	947,699	-	2,187,904
LGPS pension surplus/(deficit)	-	(453,000)	-	(453,000)
Net assets/(liabilities)	1,240,205	494,699	-	1,734,904

St John the Baptist School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Other tangible fixed assets	-	-	495,206	495,206
Other assets	372,472	403,121	-	775,593
LGPS pension surplus/(deficit)	-	(604,000)	-	(604,000)
Borrowing obligations- Diocese	(300,000)	-	-	(300,000)
Net assets/(liabilities)	72,472	(200,879)	495,206	366,799

24. Pension commitments

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

As described in note 23 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year ended 31 August 2017. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £342,701 were payable to the schemes at 31 August 2017 and are included within creditors.

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.

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 (currently 14.1%)
- 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%.

24. Pension commitments (continued)

During the previous year the employer contribution rate was 14.1%. 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 April 2019.

The employer's pension costs paid to TPS in the period amounted to £1,749,816.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2017 was £1,401,468, of which employer's contributions totalled £1,145,436. and employees' contributions totalled £256,032. The agreed contribution rates for future years are 19.7% for employers and 5.5- 12.5% for employees.

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.

24. Pension commitments (continued)

Principal actuarial assumptions:

	2017
Discount rate for scheme liabilities	**2.50 %**
Rate of increase in salaries	**2.70 %**
Rate of increase for pensions in payment / inflation	**2.40 %**

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

	2017
Retiring today	
Males	**22.5**
Females	**24.6**
Retiring in 20 years	
Males	**24.1**
Females	**26.4**

Sensitivity analysis	Period ended At 31 August 2017 £
Discount rate +0.1%	**(317,200)**
Discount rate -0.1%	**317,200**
Morality assumption - 1 year increase	**239,080**
Morality assumption - 1 year decrease	**(239,080)**
CPI rate +0.1%	**251,200**
CPI rate -0.1%	**(251,200)**

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

	Fair value at 31 August 2017 £
Equities	**5,595,880**
Corporate bonds	**1,134,300**
Property	**529,340**
Cash and other liquid assets	**302,480**
Total market value of assets	**7,562,000**

The actual return on scheme assets was £702,000.

24. Pension commitments (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	Period ended 31 August 2017 £
Current service cost	(1,820,000)
Interest income	115,000
Interest cost	(244,000)
Total	(1,949,000)
Actual return on scheme assets	702,000

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

	Period ended 31 August 2017 £
Opening defined benefit obligation	11,848,000
Current service cost	1,820,000
Interest cost	244,000
Employee contributions	251,000
Actuarial gains	(624,000)
Closing defined benefit obligation	13,539,000

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

	Period ended 31 August 2017 £
Opening fair value of scheme assets	5,400,000
Interest income	115,000
Actuarial losses	675,000
Employer contributions	1,121,000
Employee contributions	251,000
Closing fair value of scheme assets	7,562,000

25. Operating lease commitments

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £
Amounts payable:	
Within 1 year	**82,068**
Between 1 and 5 years	**57,332**
Total	**139,400**

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/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.

27. Related party transactions

Owing to the nature of the academy's operations 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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The Academy operates from land and buildings provided rent free by the Bishop of Arundel & Brighton and the Trustees. Under an agreement between the Diocese, the Academy and the Secretary of State the Diocese would be required to give 24 months' notice from the year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end. The Trustees do not have a reliable estimate for the cost of renting equivalent buildings and have therefore excluded any rental cost or donation in kind in these financial statements.

During the year a contract was in place with a trustee for provision of consultancy services on a self-employed basis. A total of £15,015 was invoiced during the year and no payments were outstanding at year end. Of the total amount paid, £5,460 were paid through payroll under IR35. This has been disclosed as other costs in Note 9 of the accounts.

During the year a trustee's family member was an employee of a school within the Trust. Their total remuneration paid during the year, including salary and pension costs, was £4,752.

28. Post balance sheet events

On 1st November 2017 The Marist Catholic Primary School converted to an academy and transferred into the Xavier Catholic Education Trust.

29. Legal status

The Academy is a charitable company, operating as an Academy Trust, incorporated in England and Wales.

Its registered office is Salesian School, Guildford Road, Chertsey, Surrey, KT16 9LU.