

Company Registration No. 10236797 (England and Wales)

XAVIER CATHOLIC EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020



XAVIER CATHOLIC EDUCATION TRUST

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XAVIER CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- | | |
|---|--|
| - Bishop of Arundel and Brighton | The Right Reverend Charles Philip Richard Moth |
| - Chair of Diocesan Academies Strategic Board | Carol Ann Simonne Roycroft |
| - Arundel, Brighton Roman Catholic Diocesan Corporation | Sarah Kilmartin, Diocesan Financial Secretary |

Directors

Rev P M Andrews (Resigned 19 March 2020)
Mrs S A Clark
Ms M P B Dineen
Mr M J F Gliniecki
Mr M P Harrington
Mr P J O'Brien (Chair)
Mr J B Wells
Dr J Lydon (Appointed 4 March 2020)

Key management personnel

- | | |
|--|-------------------------|
| - CEO | Ani Magill |
| - Executive Headteacher - Salesian School and Deputy CEO | James Kibble |
| - Chief Financial Officer | Nicola Kenworthy |
| - Director of Operations | Ceri Murray |
| - Headteacher - St Alban's | Martin Brannigan |
| - Headteacher - St Hugh of Lincoln | Deborah Harper |
| - Headteacher - St John the Baptist | James Granville Hamshar |
| - Headteacher - St Charles Borromeo | Stephen Holt |
| - Headteacher - Cardinal Newman | Catherine Burnahm |
| - Head of School - Salesian School | Paul Gower |
| - Headteacher - St Cuthbert Mayne | Natalie Macarthy |
| - Headteacher - St Anne's | Leanne Harris |
| - Headteacher - St Augustine's | Alison Walsh |
| - Headteacher - The Marist | Kate Licence |
| - Headteacher - The Holy Family | Steve Tindall |
| - Headteacher - St Thomas of Canterbury | Neil Lewin |
| - Headteacher - St Polycarp's | Paula Best |
| - Headteacher - St Peter's Catholic School | Toby Miller |

Clerk to Governors

Anne Robinson

Company registration number

10236797 (England and Wales)

Principal and registered office

Salesian School
Guildford Road
Chertsey
Surrey
KT16 9LU

XAVIER CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

St Augustine's Catholic Primary School
St Alban's Catholic Primary School
St Anne's Catholic Primary School
St Charles Borromeo Catholic Primary and Nursery
Cardinal Newman Catholic Primary School
The Holy Family Catholic Primary School
St Hugh of Lincoln Primary School
Salesian School
St John the Baptist School
The Marist Catholic Primary School
St Cuthbert Mayne Catholic Primary School
St Thomas of Canterbury Catholic Primary School
St Polycarp's Catholic Primary School
St Peter's Catholic Secondary School
Central Services

Location

Frimley
East Molesey
Chertsey
Weybridge
Hersham
Addlestone
Woking
Chertsey
Woking
West Byfleet
Cranleigh
Guildford
Farnham
Guildford
Chertsey

Principal

Alison Walsh
Martin Brannigan
Leanne Harris
Stephen Holt
Catherine Burnham
Steve Tindall
Deborah Harper
Paul Gower
James Granville Hamshar
Kate Licence
Natalie Macarthy
Neil Lewin
Paula Best
Toby Miller
Ani Magill

Independent auditor

Moore (South) LLP
Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

Bankers

Lloyds Bank Plc
32 Commercial Way
Woking
Surrey
GU21 6ER

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

During the period the Trust operated eleven primary schools and three secondary schools serving the Woking, Weybridge and Guildford deaneries in the Catholic Diocese of Arundel and Brighton.

The schools are:

- Cardinal Newman Catholic Primary School
- Holy Family Catholic Primary School
- St Alban's Catholic Primary School
- St Anne's Catholic Primary School
- St Augustine's Catholic Primary School
- St Cuthbert Mayne Primary School
- St Charles Borromeo Catholic Primary School
- St Hugh of Lincoln Catholic Primary School
- St John the Baptist School
- Salesian School
- The Marist Catholic Primary School
- St Thomas of Canterbury Catholic Primary School
- St Polycarp's Catholic Primary School
- St Peter's Catholic School

These schools have a combined pupil capacity of 7,148 and had a roll of 8,802 in the school census on October 2020.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The directors are the trustees of Xavier Catholic Education Trust and are also the directors of the charitable company for the purposes of company law. Details of the directors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Directors benefit from indemnity insurance (Risk Protection Arrangement) purchased at the Academy Trust's expense to cover the liability of the Directors 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 Directors knew to be a breach of trust or breach of duty or which was committed by the Directors 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 Directors in their capacity as Directors of the Trust. The limit of the indemnity is £10m and is explained in the 'Governors Liability' section of the RPA.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Method of recruitment and appointment or election of directors

The Directors are appointed under the terms of the Company's Articles of Association point 45. There must be at least three Directors, but there is no maximum.

All Directors must, upon appointment or election, sign a written undertaking to the Directors 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 Director shall be four years except that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a Director, any Director may be reappointed or re-elected.

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

Policies and procedures adopted for the induction and training of directors

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

Organisational structure

The Board of Directors is ultimately responsible to the Members for the performance of the Trust and its academies.

The Board of Directors is responsible for The Xavier Catholic Education Trust. Where appropriate, duties are delegated to an Academy Committee.

The Board of Directors has delegated the day to day responsibility for the financial operations and controls to the Chief Executive Officer. Delegation of financial responsibility is set out within the Company's Finance Policy and more specifically in the Scheme of Delegation.

The Board of Directors has delegated governance monitoring to the Local Governing Committees in each school. 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 Local Governing Committees.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

The Human Resource 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 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.

The Executive Remuneration Committee has the responsibility of establishing the pay of the central management team.

The CEO, along with the Local Governing Pay Committee, has the responsibility of establishing the pay of the Head Teachers.

Where possible, the Trust establishes relevant salary benchmarks as follows;

- Remuneration is set at appropriate levels taken from the school leadership scales, taking into account performance review
- Recommendations of the School Teachers' Pay & Conditions Document (STPCD)
- Recommendations of relevant support staff pay bodies
- Pay awards in similar organisations

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

-

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with employees

All schools within the Xavier Catholic Education Trust regularly communicate with all employees regarding matters of concern to them regarding both their own school and across all schools within the Xavier Catholic Education Trust. Communication is through weekly staff newsletters/bulletins and staff briefings (usually staff meetings, currently via on line briefings). In addition to this schools have regular staff meetings, which cover areas such as the school and Xavier Catholic Education Trust development plans, changes or new initiatives taking place, operational matters, pay settlements and staff well-being.

Staff are consulted on key changes that will impact on their working environment, such as changes to the school day or timetable, changes to organisational practices, particularly this year as a result of coronavirus and implementing government guidance for student and staff safety, changes to performance management and Government changes that impact on schools, such as curriculum changes, examinations and pay.

All staff are an integral part of the Trust's drive to constantly improve pupil progress at all levels from entry to reception classes through to GCSE and A levels. The involvement of employees is encouraged by clear pupil tracking of progress and accountability through the appraisal process and staff involvement in the wider education of pupils through school performances, sports and extra - curricular activities.

Data on school performance is shared across all schools within the Trust and termly Newsletters encourage a common awareness of the successes of each school. All staff attend at least two Trust wide training days a year and are able to share resources and initiatives that increase performance through network meetings and forums.

The Recruitment policy and application form state that the Trust and its schools encourage applications from disabled people and applicants are encouraged at this point to request any reasonable adjustments to ensure that the short listing process is fair in relation to a disability and the invitation letter for interview also asks if applicants require any adjustments to be made to the interview or selection activities. Schools take advice from occupational health advisors regarding reasonable adjustments to enable disabled employees to carry out their role, if an employee becomes disabled they will be referred to occupational health for advice on reasonable adjustments and schools work supportively with employees during this time. Disabled employees have the same access to training, career development and promotion as all other colleagues and all our schools are committed to an inclusive culture for employees and the whole school community.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with suppliers, customers and others in a business relationship with the academy trust

Students

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.

We 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 to fulfil their potential. The Trust takes its role seriously and our children attend schools where they are cherished, loved and challenged in a setting where everything is underpinned by the Gospel values.

All of our schools are striving for excellence in everything they do.

Customers

The Trust has a range of customers through the lettings of its properties. Our customers range from community groups and clubs to private organisations and charities. The Trusts overriding aim is to provide facilities for the use by, and for the benefit of, our local communities.

In addition to lettings a number of our schools also provide breakfast clubs and afterschool facilities. For parents, breakfast clubs and after-school activities offer a safe, reliable, and affordable childcare alternative, enabling parents to pursue careers and get to work on time. For children, extra-curricular clubs and classes provide them with the opportunity to engage in new interests and take part in activities otherwise unavailable to them.

Suppliers

To enable us to meet the educational and operational needs of the Trust we engage a large number of suppliers both locally and nationally.

Suppliers provide services for building maintenance, cleaning, catering and utilities. We also engage suppliers to purchase curriculum and administration consumables. Relationships with all our suppliers are managed at both Trust and local level. Positive engagement with suppliers enables us to develop and maintain long-term and sustainable relationships and helps ensure that the Trust purchase products and services competitively and responsibly. Regular contract review meetings, proof of best value and adhering to Government procurement processes is vital in maintaining these relationships and providing an optimum level of education for our students.

Related parties and other connected charities and organisations

The Trust comes under the jurisdiction of the Diocese of Arundel & Brighton.

As part of Surrey Teaching Schools Network we have been instrumental in the development of Surrey Schools Learning Partnership: a collaboration with the Surrey Phase Councils and Surrey County Council to develop and deliver a sustained approach to support outstanding teaching, learning and leadership in schools.

Salesians' National Teaching School has a school to school support arrangement with the Bourne Education Trust, providing training support for groups of teaching staff across the Trust.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

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.

We 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.

Objectives, strategies and activities

1. Every child will receive an excellent education

- Ensure all children receive a broad and balanced curriculum, both in school and remotely if necessary
- Ensure all schools have aspirational targets.
- Provide support for mental health and wellbeing of each child and member of staff.
- Ensure all schools, when inspected, are at least good.
- Secondary schools to be top performing MAT nationally. To deliver progress scores in top 5% in Surrey and top 10% nationally.
- Primary schools to all have positive value added in every category.

2. Recruit, develop and retain best people

- Open a Primary School Centred Initial Teacher Training (SCITT) facility.
- Increase numbers in Secondary SCITT to over 100.
- Ensure all staff have an annual appraisal with achievable targets linked to the strategic improvements of the schools and Trust.
- Conduct exit interviews with all leavers to understand reasons for leaving.
- Outsource a training programme for Governors.
- Provide an annual training programme to include all staff.
- Develop a coaching culture across the Trust.

3. Provide exceptional central services

- Provide all schools with up to date policies.
- Survey schools regarding quality of central services and act on feedback.
- Safeguarding Lead for the Trust to develop a strategy across all our schools.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4. Our Catholicity is in the core of everything

- Support schools in difficulty whenever possible
- Maintain strong links with parishes and community
- Provide outstanding pastoral care to all students
- Provide training opportunities that support the Catholic life of the school.
- Increase the number of Catholics going to the SCITT.
- Share RE resources between schools on line.

5. Financially robust and provide value for money

- Have a 5 year maintenance programme to upgrade all our schools.
- All schools to have a budget matched to their development plan.
- Provide benchmarking data for all our schools
- Continue to develop preferred suppliers list.
- Address all points in audit management letter.
- Bid for all appropriate funding opportunities.

6. Maintain current levels of service whilst expanding

- Increase services provided centrally
- Have a sustainable growth strategy
- Continue development of a comprehensive Due Diligence programme for all schools wishing to join the Xavier Trust.
- Review the Partnership Contribution with heads and chairs to match with strategic plans
- Review the structure of the central team.

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.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

Top Achievements

1. Positive feedback from all schools and Ofsted inspections regarding the support received from Xavier Catholic Education Trust.
2. All Teach SouthEast (TSE) SCITT trainees for the 2019/20 cohort completed their training with 38% achieving an outcome of outstanding and 54% an outcome of good. TSE have recruited 104 trainees for 2020/21.
3. Teach SouthEast primary SCITT launched with 13 trainees.
4. Support given to other MATs and schools in difficulty through the work of the three teaching schools and 2 National Leaders of Education (NLE).
5. Successful work of the Maths Hub working with over 600 schools.
6. Secondary schools rated 1st, 2nd and 3rd in Surrey for progress.
7. Further centralization of services to improve quality and save schools money.

Key performance indicators

GCSE	Salesian		SJB		St. Peter's	
	2019	2020	2019	2020	2019	2020
9-7	38%	49%	47%	51%	43%	51%
9-5	76%	85%	86%	88%	82%	88%
9-4	88%	95%	94%	96%	91%	96%
5 standard passes inc Eng & Ma	88%	92%	92%	95%	87%	92%
5 strong passes inc Eng & Ma	71%	79%	79%	81%	69%	79%
Progress 8	+0.91	+1.07	+1.12	+1.32	+0.92	+0.93
Upgrades following standardisation	-	+8%	-	+1%	-	+2%

A' Level	Salesian		SJB		St. Peter's	
	2019	2020	2019	2020	2019	2020
A*	12%	20%	12%	17%	12%	18%
A*-A	34%	53%	37%	48%	44%	49%
A*-B	68%	83%	72%	79%	66%	79%
A*-C	92%	96%	92%	96%	88%	95%
A*-D	99%	100%	97%	99%	97%	97%
A*-E	100%	100%	99%	100%	99%	100%
Upgrades following standardisation	-	+1%	-	+2%	-	+2%

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Primary School Progress Ranking data

School	Ofsted grade	Progress score		
		Reading	Writing	Maths
St Alban's	Good	4	2.1	3.1
St Anne's	Good	1.8	0.4	2.1
St Augustine's	Outstanding	1.8	1	1.6
Cardinal Newman	Good	0.4	1.4	1.5
Holy Family	Good	1.4	2.6	3.8
St Charles Borromeo	Outstanding	1.2	-0.8	2.4
St Hugh of Lincoln	Good	0.8	-1.5	-0.9
St Cuthbert Mayne	Outstanding	1.2	0.2	0.3
The Marist	Good	2.9	2.3	1.1
St Polycarp's	Outstanding	3.2	3	0.4
St Thomas of Canterbury	Good	1.6	0.3	-0.5

Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. The Directors believe that the likelihood of the pension deficit in the accounts crystalizing is remote, and without this deficit the Trust is solvent. For this reason, the Directors 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 and promoting the success of the company.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Promoting the success of the academy trust

Specific references to the way in which the Trustees have had regard to the matters set out under S172(1) of the Companies Act 2006 are as follows:-

1. Likely consequences of decisions in the long term – the Trustees' report on page 8 and 9 provides information in this regard, together with the Trustees' analysis of the Principal risk and uncertainties (page 14)
2. The interests of employees – the trustees have reported on trade union facility time (page 5), how the Trust has engaged with employees and its equal opportunities commitment (page 6)
3. Need to foster the business relationships with suppliers and others – please see page 7.
4. Impact of operations on the community and the environment – please see page 15 in particular but also the Trust's objectives and Activities on page 8 and 9
5. Desirability of maintaining a reputation of high standards of business – the Trustees' report includes reporting on organisation structure, remuneration and related party transactions.
6. Need to act fairly between members – see structure, governance and management on page 1.

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purpose. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2020, total expenditure of £51,261,686 (2019: £34,877,908) was met by recurrent grant funding from the ESFA together with other incoming resources and utilisation of brought forward reserves.

The Trust received £1,766,130 in capital funding (School Condition Allocation) from the ESFA on a formula basis (2019: £1,175,611).

The Trust incurred a deficit of £3,992,038 (2019 – £539,229) for the year (excluding Restricted Fixed Asset Funds) and before the transfer of £415,909 (2019 - £81,786) to the Restricted Fixed Asset Fund, giving a total deficit of £4,407,947 (2019 - £621,015). Part of the large deficit has been caused due to the loss on conversion of the three new schools which equated to £2,200,228.

As at 31 August 2020, the Trust had total deficit funds of £8,508,556 (2019: £3,426,852). This was comprised of £2,520,415 (2019 - £2,260,920) of Restricted general funds, excluding the pension deficit fund of £17,185,000 (2019: £10,302,000), Restricted Fixed Asset fund £2,820,770 (2019: £1,766,527) and £3,335,259 (2019: £2,847,701) of unrestricted general funds.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The Directors review the reserve levels of the Trust annually. This review encompasses a review of the current year's budgets and 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.

As at 31 August 2020, unrestricted funds amounted to £3,335,259 (2019: £2,847,701). It is anticipated that much of this balance will be utilized over the course of the next 3 academic years.

The deficit on the local government pension scheme of £17,185,000 (see note 22 to the accounts for details) is not relevant in the short term and therefore not considered when determining the level of reserves. The liability is not due in the following accounting period and the deficit will be addressed, based on recommendations of the scheme actuary, over many years.

Investment policy

Xavier Catholic Education Trust does not have any material investments.

The Trust's Investment Policy enables Directors 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.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed.

The principal risks facing the Trust are considered to be

- MAT Growth - Rate of expansion is too great or too slow to ensure sustainability.
Controlled by continuous review of schools that could possibly join the Trust next. Liaison with Diocese to jointly manage priority for schools joining. Trust Board, CEO and CFO produce 3 year plans of minimum and maximum number of schools joining, with aligned finances and central function models.
- The financial impact of future changes to funding levels from the DfE/ESFA.
Managed through the CFO producing 3 year financial models which incorporate impacts of key funding uncertainties. Review and monitoring is undertaken by the CEO and Trust Finance Committee.
- Trust Board delegates too much or too little to the Local Governing Committees (LGC) and or the CEO/CFO.
Controlled by review of advice from auditors and audit committee and review of training need and providing training as required. Review is undertaken by the Risk and Audit Committee and informed by Audit reports.
- Teacher recruitment and retention.
Managed through rigorous selection and appointment procedures combined with reviews of appropriate succession planning. Overseen by the CEO and Trust HR Committee with monitoring by Headteachers and Local Governing Committees.
- Staff may not be able to deliver lessons and support pupils or their ability to do so may be severely compromised during COVID-19 restrictions. Staff health and wellbeing may suffer as a result of being ill, in self-isolation or being shielded. Their mental health may also be impacted by having to work in environments that carry a risk of COVID transmission.
Controlled by ensuring remote learning plan is in place for each school and high focus on COVID infection control procedures in all schools – particularly hygiene and social distancing protocols. Monitored by trust operation team, regular contact with Headteachers on staffing situation and overseen by CEO.
- The Trust's overall financial position could be significantly degraded and central finances will have to be used disproportionately to support individual schools during COVID-19. School staffing budgets could be stretched to provide cover for isolation staff or for staff sickness exacerbated by COVID conditions and therefore not covered by insurance. Schools may struggle to meet original budget targets and could erode a significant proportion of their reserves or potentially end up with an in-year deficit.
Managed by Trust leadership, oversight of staffing issues and advice. Staffing budget reviewed regularly as part of the quarterly Forecast process. Monitored by CFO with oversight by Trust Finance Committee.
- Building Compliance with Health and Safety and Fire risk assessment standards.
Controlled through Fire Risk Assessments and H&S standards compliance audit being undertaken and a prioritized list of actions compiled and implemented to address shortfalls and lack of evidence. Clarity of roles (job descriptions) and checks being addressed and programme of training to be implemented. Managed by Trust Estates Manager and monitored by CEO and Trust Risk and Audit Committee.

The principal Risk Management objective of the Academy Trust is to minimize all identified risks as outlined in the risk register by frequent review and remedial actions where required.

Review of the Risk Register falls within the terms of reference of the Risk & Audit Committee. The Trust has also adopted a board assurance framework approach which identifies gaps the Trust faces in achieving its strategic aims.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Fundraising

Academies within the Trust enter into fundraising activities to support local charities and enhance their income.

They do this in one or more of the following ways;

- Fundraising on behalf of the school through Parent Teacher Associations holding various events
- Students and staff engaging in fundraising for external charities
- Donations from parents

The trust aims to meet the fundraising code of practice which is that any fundraising will be legal, open, honest and respectful. The trust will ensure protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate and ensure that all funds for a particular cause must be used for that particular cause.

The Trust does not work with any third party commercial participators or professional fundraisers to raise funds. There have been no fundraising complaints during 2019/2020.

Streamlined energy and carbon reporting

Energy consumption

Aggregate of energy consumption in the year	kWh
	7,052,610

Emissions in metric CO2 equivalent (CO2e)

	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	885.00	
- Fuel consumed for owned transport	7.00	
		892.00
Scope 2 - indirect emissions		
- Electricity purchased		512.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		5.00
Total gross emissions		1,409.00

Intensity ratio

Tonnes CO2e per pupil	0.18
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Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings to reduce the need for travel between sites. We are also applying for grant funding from the Public Sector Decarbonisation scheme to implement measures to improve efficiency.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The key priorities of the Trust in 2020/2021 are to:

- Ensure that we maintain current services whilst inducting St Edmund's Catholic Primary School who are anticipated to join the Trust on 1st April 2021.
- Ensure that all schools continue to move forward despite COVID restrictions.
- Ensure all schools have taken robust action following the Teaching & Learning review.
- Review the work of Learning Support Assistants in our schools.
- Recruit, develop and retain good Governors in all our schools.
- Improve our diversity and capacity provision.
- Develop a Trust-wide IT strategy and centralise network management wherever possible.
- Further centralise the business managers.
- Ensure all schools come in the top 50% rankings for progress.
- Ensure all schools are striving for excellence and know that good isn't good enough.
- Provide outstanding central services for a partnership contribution which delivers excellent value for money.
- Continue to improve and enhance the condition of school premises. Develop options for further capacity and resource for central team.
- 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.
- Submit bids for all funds possible.
- Expand central services e.g. Safeguarding Lead
- Ensure all schools have resources and expertise to provide remote learning.

Funds held as custodian trustee on behalf of others

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

Auditor

In so far as the directors are aware:

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

A resolution proposing that Moore (South) LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of directors, as the company directors, on 10 December 2020 and signed on its behalf by:



Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As directors 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 Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Xavier Catholic Education Trust and the Secretary of State for Education. The Chief Executive Officer is 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 Directors' responsibilities. The Board of Directors has formally met 6 times during the period. Attendance during the period at meetings of the Board of Directors was as follows:

Directors	Meetings attended	Out of possible
Rev P M Andrews (Resigned 19 March 2020)	1	3
Mrs S A Clark	5	6
Ms M P B Dineen	2	6
Mr M J F Gliniecki	6	6
Mr M P Harrington	6	6
Mr P J O'Brien (Chair)	6	6
Mr J B Wells	6	6
Dr J Lydon (Appointed 4 March 2020)	2	3

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, James Kibble, the Trust's Deputy Chief Executive Officer, Nicola Kenworthy, the Trust's Chief Financial Officer and Ceri Murray, the Trust's Director of Operations.

In addition to the formal Board meetings, the board met weekly (virtually) during the period of national lock down for updates by the CEO and deputy CEO.

During the past year a new Director with an educational background was recruited.

The Board constantly ensures that through regular reviews and self-assessment, its coverage focuses on managing the strategic direction of the Trust with emphasis on maintaining performance, value for money, the performance of Local Governing Committees and managing growth.

The Board regularly reviews its structure and the strategic plan. It also has an annual review to assess performance, the data received to ensure it remains appropriate and meaningful, and how to stay best informed about the challenges that may be faced.

Finance Committee

The finance committee is a subcommittee of the main board of trustees. Its purpose is 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.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
Mrs S A Clark	6	6
Ms M P B Dineen	2	6
Mr M J F Gliniecki	6	6
Mr P J O'Brien (Chair)	5	6
Mr J B Wells	5	6

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, James Kibble, the Trust's Deputy Chief Executive Officer, Nicola Kenworthy, the Trust's Chief Financial Officer and Ceri Murray, the Trust's Director of Operations.

Risk and Audit Committee

The risk and audit committee is also a subcommittee of the main board of trustees. Its purpose is 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:

Directors	Meetings attended	Out of possible
Rev P M Andrews (Resigned 19 March 2020)	1	3
Ms M P B Dineen	2	6
Mr M J F Gliniecki	6	6
Mr P J O'Brien (Chair)	6	6
Dr J Lydon (Appointed 4 March 2020)	2	2

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, James Kibble, the Trust's Deputy Chief Executive Officer, Nicola Kenworthy, the Trust's Chief Financial Officer and Ceri Murray, the Trust's Director of Operations.

Human Resources 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:

Directors	Meetings attended	Out of possible
Mrs S Clark	1	2
Ms M P Dineen	1	3
Mr M P Harrington (Chair)	3	3
Mr P J O'Brien	1	1

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, Nicola Kenworthy, the Trust's Chief Financial Officer, Ceri Murray, the Trust's Director of Operations and Nikki Shephard, the Trust's HR Manager.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Executive Remuneration Committee

Directors	Meetings attended	Out of possible
Mr M P Harrington (Chair)	1	1
Mr P J O'Brien	1	1
Mr M J F Gliniecki	1	1
Mr J B Wells	1	1

Also in attendance was Ani Magill, the Trust's Chief Executive Officer.

Review of value for money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year as follows:

Centralised:

- Estates management
- 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
- SEN Support
- Pedagogy support
- Safeguarding support

Reviewing controls and managing risk

- Monthly budgeting reports produced by the CFO which result in action being taken to address any significant variances that may have arisen and that are likely to have a negative impact on the budget outturn.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Xavier Catholic Education Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Capacity to handle risk

The board of directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of directors.

The risk and control framework

The academy 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;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

Moore (South) LLP were in place during the year ended 31 August performing the internal audit function. As a result of the changes in the Academies Financial Handbook 2020, removing the option for internal audit to be performed by the external auditor, Buzzacott LLP have been appointed as internal auditor from 1 September 2020.

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:

- Purchase systems, controls and transactions
- Payroll systems, controls and transactions
- Review of control accounts
- Review of bank reconciliations
- Review of procedures to identify and monitor related parties

The internal auditor reports to the Board of Directors through the Risk & Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and access year on year progress.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

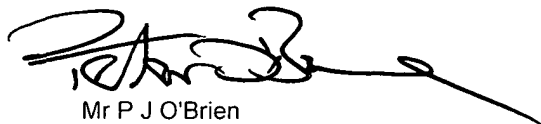
XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the risk and audit committee and ensure continuous improvement of the system is in place.

Approved by order of the board of directors on 10 December 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'P J O'Brien', with a long horizontal flourish extending to the right.

Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

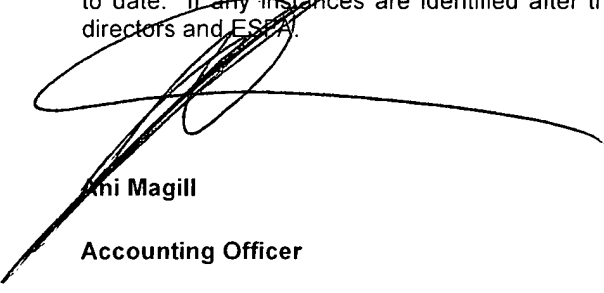
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Xavier Catholic Education Trust, I have considered my responsibility to notify the academy trust board of directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2019.

I confirm that I and the academy trust's board of directors 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 2019.

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 directors and ESFA.



Ani Magill

Accounting Officer

10 December 2020

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The directors (who also act as trustees for Xavier Catholic Education Trust) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of directors on 10 December 2020 and signed on its behalf by:



Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF XAVIER CATHOLIC EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Xavier Catholic Education Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

XAVIER CATHOLIC EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF XAVIER CATHOLIC EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (which includes the strategic report and directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report, included within the trustees' report.

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

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

Responsibilities of directors

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

In preparing the accounts, the directors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the academy trust, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

XAVIER CATHOLIC EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF XAVIER CATHOLIC EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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



**Danielle Griffin (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP**

16 December 2020

**Chartered Accountants
Statutory Auditor**

Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 10 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, 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 1 September 2019 to 31 August 2020 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 ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Xavier Catholic Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Xavier Catholic Education Trust and 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 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- assessment of the system of internal control, policies and procedures;
- tests of compliance with specific laws, regulations and agreements;
- examination of expenditure for regularity and propriety; and
- consideration of work and reports by the Responsible Officer and Xavier Catholic Education Trust

XAVIER CATHOLIC EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO XAVIER CATHOLIC EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore (South) LLP

Reporting Accountant

Moore (South) LLP

Dated: 16 December 2020

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and capital grants	3	1,442,392	446,495	3,254,827	5,143,714
Donations - transfer from local authority on conversion	31	-	-	230,000	230,000
Charitable activities:					
- Funding for educational operations	4	-	39,016,838	-	39,016,838
- Funding for teaching schools	30	-	1,139,874	-	1,139,874
Other trading activities	5	2,313,075	58,080	-	2,371,155
Investments	6	4,975	1,426	-	6,401
Total		3,760,442	40,662,713	3,484,827	47,907,982
Expenditure on:					
Charitable activities:					
- Educational operations	9	3,588,876	41,655,633	2,846,493	48,091,002
- Teaching Schools	30	-	970,456	-	970,456
Charitable expenditure - transfer from local authority on conversion	31	(315,992)	2,516,220	-	2,200,228
Total		3,272,884	45,142,309	2,846,493	51,261,686
Net income/(expenditure)		487,558	(4,479,596)	638,334	(3,353,704)
Transfers between funds	20	-	(415,909)	415,909	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	22	-	(1,728,000)	-	(1,728,000)
Net movement in funds		487,558	(6,623,505)	1,054,243	(5,081,704)
Reconciliation of funds					
Total funds brought forward		2,847,701	(8,041,080)	1,766,527	(3,426,852)
Total funds carried forward		3,335,259	(14,664,585)	2,820,770	(8,508,556)

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2019 £
Income and endowments from:					
Donations and capital grants	3	1,220,761	437,407	1,784,348	3,442,516
Charitable activities:					
- Funding for educational operations	4	-	27,511,732	-	27,511,732
- Funding for teaching schools	30	-	947,999	-	947,999
Other trading activities	5	2,141,876	43,968	-	2,185,844
Investments	6	7,678	922	-	8,600
Total		3,370,315	28,942,028	1,784,348	34,096,691
Expenditure on:					
Charitable activities:					
- Educational operations	9	2,968,862	28,985,047	2,026,336	33,980,245
- Teaching Schools	30	-	856,709	-	856,709
Charitable expenditure - transfer from local authority on conversion	31	(32,525)	73,479	-	40,954
Total	7	2,936,337	29,915,235	2,026,336	34,877,908
Net income/(expenditure)		433,978	(973,207)	(241,988)	(781,217)
Transfers between funds	20	-	(81,786)	81,786	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	22	-	(2,697,000)	-	(2,697,000)
Net movement in funds		433,978	(3,751,993)	(160,202)	(3,478,217)
Reconciliation of funds					
Total funds brought forward		2,413,723	(4,289,087)	1,926,729	51,365
Total funds carried forward		2,847,701	(8,041,080)	1,766,527	(3,426,852)

XAVIER CATHOLIC EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	14	955,989	751,122
Current assets			
Stocks	15	12,160	9,788
Debtors	16	1,809,049	1,138,669
Cash at bank and in hand		10,403,142	8,534,416
		<u>12,224,351</u>	<u>9,682,873</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(4,279,004)	(3,378,847)
Net current assets		<u>7,945,347</u>	<u>6,304,026</u>
Total assets less current liabilities		<u>8,901,336</u>	<u>7,055,148</u>
Creditors: amounts falling due after more than one year	18	(224,892)	(180,000)
Net assets before defined benefit pension scheme liability		<u>8,676,444</u>	<u>6,875,148</u>
Defined benefit pension scheme liability	22	(17,185,000)	(10,302,000)
Total net liabilities		<u>(8,508,556)</u>	<u>(3,426,852)</u>
Funds of the academy trust:			
Restricted funds	20		
- Fixed asset funds		2,820,770	1,766,527
- Restricted income funds		2,520,415	2,260,920
- Pension reserve		(17,185,000)	(10,302,000)
Total restricted funds		<u>(11,843,815)</u>	<u>(6,274,553)</u>
Unrestricted income funds	20	<u>3,335,259</u>	<u>2,847,701</u>
Total funds		<u>(8,508,556)</u>	<u>(3,426,852)</u>

The accounts on pages 29 to 61 were approved by the directors and authorised for issue on 10 December 2020 and are signed on their behalf by:

Mr P J O'Brien
Chair

Company Number 10236797

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash used in operating activities	23	(2,074,189)		(1,147,226)	
Cash funds transferred on conversion		682,702		32,525	
		<u>(1,391,487)</u>		<u>(1,114,701)</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		6,401		8,600	
Capital grants from DfE Group		1,938,042		1,638,860	
Capital funding received from sponsors and others		1,254,235		110,665	
Purchase of tangible fixed assets		-		(25,490)	
		<u>3,198,678</u>		<u>1,732,635</u>	
Net cash provided by investing activities					
Cash flows from financing activities					
New other loan		101,930		-	
Repayment of other loan		(40,395)		(30,000)	
		<u>61,535</u>		<u>(30,000)</u>	
Net cash provided by/(used in) financing activities					
Net increase in cash and cash equivalents in the reporting period					
		1,868,726		587,934	
Cash and cash equivalents at beginning of the year		8,534,416		7,946,482	
Cash and cash equivalents at end of the year		<u>10,403,142</u>		<u>8,534,416</u>	

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and 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 accounts.

1.3 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 St Thomas of Canterbury Catholic Primary School, St Polycarp's Catholic Primary School and St Peter's Catholic School to the 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 charitable expenditure – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 31.

1.4 Income

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

Grants

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

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Charitable activities

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

Governance costs

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

1.6 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold property	Not depreciated
Leasehold property	Over the term of the lease
Computer equipment	33% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% 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.

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Costs include all direct costs and an appropriate proportion of fixed and variable overheads. Provision is made for obsolete and slow moving stock.

1.11 Taxation

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

1.12 Pensions benefits

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

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

The LGPS is a funded multi-employer 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the directors 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 funders where the asset acquired or created is held for a specific purpose.

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

1.14 Agency arrangements

The school is an accredited provider of a School-centred Initial Teacher Training (SCITT) programme and receives funding from the National College of Teaching and Learning (NCTL). The academy trust also acts as an agent in distributing SCITT bursary funds from the NCTL. Payments received from NCTL and subsequent disbursements to the student teachers are excluded from the financial activities as the trust does not have control over the charitable application of the funds. The trust cannot use any of the allocation towards its own administration costs. The funds received, paid and any balances held are disclosed in note 29.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donated fixed assets	-	62,550	62,550	34,823
Capital grants	-	1,938,042	1,938,042	1,638,860
Other donations	1,442,392	1,700,730	3,143,122	1,768,833
	<u>1,442,392</u>	<u>3,701,322</u>	<u>5,143,714</u>	<u>3,442,516</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 · Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	32,718,788	32,718,788	23,362,620
Start up grants	-	-	-	75,000
Other DfE group grants	-	4,001,615	4,001,615	2,096,795
	-	36,720,403	36,720,403	25,534,415
Other government grants				
Local authority grants	-	1,236,979	1,236,979	1,157,426
Special educational projects	-	939,045	939,045	819,891
Exceptional government funding				
Coronavirus job retention scheme grant	-	66,667	66,667	-
Other Coronavirus funding	-	53,744	53,744	-
	-	2,296,435	2,296,435	1,977,317
Other funding				
Teaching Schools income	-	1,139,874	1,139,874	947,999
Total funding	-	40,156,712	40,156,712	28,459,731

The multi-academy trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown under "exceptional government funding".

The multi-academy trust furloughed wrap around care staff under the government's CJRS. The funding received of £66,667 relates to staff costs in respect of the 54 staff which are included within note 11 below as appropriate.

The multi-academy trust also claimed £66,667 of other funding available in respect of exceptional costs incurred as a result of Covid-19.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	240,269	-	240,269	205,472
Catering income	309,285	-	309,285	512,694
Staff insurance income	-	58,080	58,080	43,968
Wraparound care	438,526	-	438,526	390,988
Fundraising	78,838	-	78,838	(5,070)
School trips income	1,223,101	-	1,223,101	963,869
Other income	23,056	-	23,056	73,923
	<u>2,313,075</u>	<u>58,080</u>	<u>2,371,155</u>	<u>2,185,844</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Other investment income	<u>4,975</u>	<u>1,426</u>	<u>6,401</u>	<u>8,600</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Academy's educational operations					
- Direct costs	28,166,221	-	4,920,570	33,086,791	23,128,645
- Allocated support costs	7,624,468	5,397,120	1,982,623	15,004,211	10,851,600
Teaching Schools					
- Direct costs	464,115	-	45,737	509,852	608,346
- Allocated support costs	107,004	2,179	351,421	460,604	248,363
	<u>36,361,808</u>	<u>5,399,299</u>	<u>7,300,351</u>	<u>49,061,458</u>	<u>34,836,954</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	37,550	32,000
- Other services	17,875	16,490
- Taxation	500	-
Operating lease rentals	54,349	36,520
Depreciation of tangible fixed assets	25,133	53,310
Net interest on defined benefit pension liability	<u>253,000</u>	<u>190,000</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 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 primary school in the Trust paid a partnership contribution equal to 3.5% and each secondary school pays a partnership contribution of 2.5%, capped at £150,000 of their 2019 to 2020 school budget share (excluding rates) element of General Annual Grant (GAG) funding.

The amounts charged during the year were as follows:

	2020 £	2019 £
St Augustine's Catholic Primary School	52,826	50,708
St Alban's Catholic Primary School	40,746	37,054
St Anne's Catholic Primary School	58,462	57,809
St Charles Borromeo Catholic Primary and Nursery	28,131	27,323
Cardinal Newman Catholic Primary School	50,276	48,209
The Holy Family Catholic Primary School	28,829	27,669
St Hugh of Lincoln Primary School	28,089	27,285
Salesian School	150,000	150,000
St John the Baptist School	150,000	150,000
The Marist Catholic Primary School	52,785	50,981
St Cuthbert Mayne Catholic Primary School	24,569	19,660
St Thomas of Canterbury Catholic Primary School	52,844	-
St Polycarp's Catholic Primary School	51,496	-
St Peter's Catholic Secondary School	129,350	-
Central Services	-	-
	898,403	646,698

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	3,455,798	29,630,993	33,086,791	23,128,645
Teaching Schools	-	509,852	509,852	608,346
Support costs				
Educational operations	133,078	14,871,133	15,004,211	10,851,600
Teaching Schools	-	460,604	460,604	248,363
	3,588,876	45,472,582	49,061,458	34,836,954

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

(Continued)

Analysis of costs	Teaching Schools £	Educational operations £	Total 2020 £	Total 2019 £
Direct costs				
Teaching and educational support staff costs	464,115	28,405,636	28,869,751	19,452,840
Staff development	8,591	107,049	115,640	102,239
Technology costs	-	710,143	710,143	716,567
Educational supplies and services	1,146	767,604	768,750	572,600
Examination fees	-	324,614	324,614	280,429
Educational consultancy	36,000	406,703	442,703	499,150
Other direct costs	-	2,365,042	2,365,042	2,113,166
	<u>509,852</u>	<u>33,086,791</u>	<u>33,596,643</u>	<u>23,736,991</u>
Support costs				
Support staff costs	107,004	7,624,468	7,731,472	5,433,166
Depreciation	-	25,133	25,133	53,310
Technology costs	5,293	889,750	895,043	542,353
Maintenance of premises and equipment	1,561	3,934,995	3,936,556	2,800,862
Cleaning	-	517,732	517,732	323,314
Energy costs	493	473,713	474,206	413,987
Rent, rates and other occupancy costs	-	291,415	291,415	192,528
Insurance	125	139,097	139,222	112,875
Security and transport	-	15,035	15,035	11,605
Finance costs	-	253,000	253,000	190,000
Legal costs	1,000	16,154	17,154	21,522
Other support costs	345,128	746,792	1,091,920	954,699
Governance costs	-	76,927	76,927	49,742
	<u>460,604</u>	<u>15,004,211</u>	<u>15,464,815</u>	<u>11,099,963</u>

10 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Amounts included in support costs				
Legal costs	-	17,154	17,154	21,522
Auditor's remuneration				
- Audit of financial statements	37,550	-	37,550	32,000
- Other audit costs	18,375	-	18,375	16,490
Other governance costs	13,656	7,346	21,002	1,252
	<u>69,581</u>	<u>24,500</u>	<u>94,081</u>	<u>71,264</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	25,858,738	18,554,609
Social security costs	2,511,014	1,712,408
Pension costs	7,821,917	4,240,168
Staff costs - employees	36,191,669	24,507,185
Agency staff costs	140,955	111,417
Staff restructuring costs	16,302	26,800
Staff development and other staff costs	36,348,926	24,645,402
	367,937	342,843
Total staff expenditure	36,716,863	24,988,245
Staff restructuring costs comprise:		
Redundancy payments	-	16,800
Severance payments	16,302	10,000
	16,302	26,800

Staff numbers

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

	2020 Number	2019 Number
Teachers	424	364
Administration and support	380	420
Management	20	13
	824	797

The number of persons employed, expressed as a full time equivalent, was as follows:

	2020 Number	2019 Number
Teachers	413	310
Administration and support	368	274
Management	20	16
	801	600

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Staff

(Continued)

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	15	9
£70,001 - £80,000	7	6
£80,001 - £90,000	2	1
£90,001 - £100,000	2	1
£100,001 - £110,000	2	-
£140,001 - £150,000	1	1

22 (2019 - 13) of the above employees participated in the Teachers Pension Scheme. During the period ended 31 August 2020, pension contributions for these staff amounted to £384,289 (2019 - £159,202).

Another 4 (2019 - 3) of the above employees participated in the Local Government Pension Scheme. During the period ended 31 August 2020, pension contributions for these staff amounted to £77,420 (2019 - £40,349).

Key management personnel

The key management personnel of the academy trust comprise the directors 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 £1,873,450 (2019 - £1,243,051).

12 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration (2019 - none).

During the year, no Trustees received any benefits in kind (2019 - none).

During the year ended 31 August 2020, expenses totalling £50 (2019 - £459) were reimbursed to one Trustee (2019 - 2).

13 Insurance for directors and officers

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 directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the directors and officers indemnity element from the overall cost of the RPA scheme.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14 Tangible fixed assets

	Freehold property	Leasehold property	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2019	400,000	292,000	94,105	31,556	74,877	892,538
Transfer on conversion	30,000	200,000	-	-	-	230,000
At 31 August 2020	430,000	492,000	94,105	31,556	74,877	1,122,538
Depreciation						
At 1 September 2019	-	4,708	94,105	18,933	23,670	141,416
Charge for the year	-	3,847	-	6,312	14,974	25,133
At 31 August 2020	-	8,555	94,105	25,245	38,644	166,549
Net book value						
At 31 August 2020	430,000	483,445	-	6,311	36,233	955,989
At 31 August 2019	400,000	287,292	-	12,623	51,207	751,122

The Arundel & Brighton Diocese owns the freehold of the schools' land and buildings. The Trust holds its sites under a licence. The Supplemental Agreement included the right for the Diocesan Trustees to give not less than 2 year's written notice to the Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of approval of the financial statements. In accordance with the terms of the Supplemental Agreement with The Arundel & Brighton Roman Catholic Diocesan Corporation Limited, the Trust pays no rent.

The Diocese retain ownership and control of the school's sites 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 for St Peters Catholic School, St Polycarps Primary School and St Thomas of Canterbury Primary School, nor for any previous schools who joined the Trust.

The Leasehold property relates to the playing fields leased from Surrey County Council in 2018 on a 125 year lease. The rent due on these leased lands is peppercorn.

The freehold land additions in the year relate to land held at St Thomas of Canterbury which is held by the Academy and the leasehold land relates to playing fields acquired on conversion, these are on the same terms as the other assets held. The valuation used is that provided by Surrey County Council in 2016 in the absence of updated valuations.

15 Stocks

	2020 £	2019 £
School Uniforms	12,160	9,788

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Debtors

	2020 £	2019 £
Trade debtors	172,339	121,464
VAT recoverable	421,835	314,313
Other debtors	491,203	264,452
Prepayments and accrued income	723,672	438,440
	<u>1,809,049</u>	<u>1,138,669</u>

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Other loans	46,643	30,000
Trade creditors	1,024,391	930,200
Other taxation and social security	607,259	432,207
Other creditors	707,885	474,285
Accruals and deferred income	1,892,826	1,512,155
	<u>4,279,004</u>	<u>3,378,847</u>

18 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other loans	224,892	180,000
	<u>224,892</u>	<u>180,000</u>

Analysis of loans	2020 £	2019 £
Wholly repayable within five years	271,535	210,000
Less: included in current liabilities	(46,643)	(30,000)
	<u>224,892</u>	<u>180,000</u>

Loan maturity		
Debt due in one year or less	46,643	30,000
Due in more than two years but not more than five years	186,572	120,000
Due in more than five years	38,320	60,000
	<u>271,535</u>	<u>210,000</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Creditors: amounts falling due after more than one year

(Continued)

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 payment is expected to be made in the year ended 31 August 2026.

Prior to conversion, two interest free Salix loans were provided to St Peter's Catholic School for £49,988 and £49,968. Two interest free Salix loans were provided to St Thomas of Canterbury Primary School for £29,098 and £4,090. These loans were provided to assist in upgrading internal LED lighting in the schools. The loans are repayable in bi-annual instalments over 8 years. The St Peter's loans are due to be repaid by 1 April 2025 and 1 April 2026 respectively. The St Thomas of Canterbury loans are due to be repaid by 1 October 2025.

19 Deferred income	2020 £	2019 £
Deferred income is included within:		
Creditors due within one year	1,125,797	791,539
	<u>1,125,797</u>	<u>791,539</u>
Deferred income at 1 September 2019	791,539	779,581
Released from previous years	(791,539)	(779,581)
Resources deferred in the year	1,125,797	791,539
	<u>1,125,797</u>	<u>791,539</u>
Deferred income at 31 August 2020	1,125,797	791,539

Deferred income is made up of the following balances

	2020 £	2019 £
Exclusion funding	53,554	75,000
Letting income	9,865	7,000
Rates relief	75,192	75,895
School fund income	180,133	273,242
Teaching school fees	78,712	987
Trip income	84,344	28,095
UIFSM	362,731	275,771
Teaching School Income	2,228	-
Maths Hub	181,165	5,465
Donations	5,000	1,260
16-19 Bursary	31,986	40,806
Wrap around care	39,767	8,018
Local learning	8,132	-
SEN Funding	12,988	-
	<u>1,125,797</u>	<u>791,539</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	(133)	32,718,788	(32,718,788)	-	(133)
Start up grants	20,103	-	(25,420)	-	(5,317)
Other DfE / ESFA grants	166,055	4,001,615	(3,860,279)	-	307,391
Other government grants	-	2,296,435	(2,296,435)	-	-
Teaching Schools	340,412	1,139,874	(970,456)	-	509,830
Governors' funds	975,054	399,690	(9,620)	-	1,365,124
Other income	748,988	106,312	(106,312)	(415,909)	333,079
Other grants	10,441	-	-	-	10,441
Pension reserve	(10,302,000)	-	(5,155,000)	(1,728,000)	(17,185,000)
	<u>(8,041,080)</u>	<u>40,662,714</u>	<u>(45,142,310)</u>	<u>(2,143,909)</u>	<u>(14,664,585)</u>
Restricted fixed asset funds					
Inherited on conversion	707,845	230,000	(14,121)	-	923,724
DfE group capital grants	897,278	1,938,042	(1,056,784)	-	1,778,536
Other Grants	215,776	1,222,066	(1,297,627)	-	140,215
Other fixed assets	43,280	-	(11,011)	-	32,269
Other income	(97,652)	94,719	(466,950)	415,909	(53,974)
	<u>1,766,527</u>	<u>3,484,827</u>	<u>(2,846,493)</u>	<u>415,909</u>	<u>2,820,770</u>
Total restricted funds	<u>(6,274,553)</u>	<u>44,147,541</u>	<u>(47,988,803)</u>	<u>(1,728,000)</u>	<u>(11,843,815)</u>
Unrestricted funds					
General funds	2,136,343	1,850,199	(1,413,277)	-	2,573,265
School funds	711,358	1,910,243	(1,859,607)	-	761,994
	<u>2,847,701</u>	<u>3,760,442</u>	<u>(3,272,884)</u>	<u>-</u>	<u>3,335,259</u>
Total funds	<u>(3,426,852)</u>	<u>47,907,983</u>	<u>(51,261,687)</u>	<u>(1,728,000)</u>	<u>(8,508,556)</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 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 schools that has been provided to the Trust via the Education and Skills Funding Agency (ESFA) by the Department of Education (DfE). The GAG fund has been set up because GAG must be used for normal running costs of the Trust.
- *Start-up grants* represent 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.
- *Other DfE/EFSA grants* includes Pupil Premium, Universal Infant Free School Meals, Maths Hub Funding, Sports Grant, MAT Development and Improvement Fund, Strategic School Improvement Fund. The relevant restricted expenditure has been allocated through this fund.
- The *Teaching Schools fund* has been created to recognise the restricted funding received from the Department of Education to cover the operating costs associated with the running of the Teaching School and School Centred Initial Teacher Training (SCITT). This fund also included other income generated by the Trust towards Teaching Schools.
- The *Governors' fund* has been created to recognise donations received which are to be used for restricted purposes.
- 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 *Other grants fund* included grants received and expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.
- 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 asset fund* has been set up to recognise the tangible assets gifted to the Trust upon conversion which represents freehold land, leasehold land and all material items of plant and machinery. Depreciation charged on inherited assets is allocated to this fund.
- The DfE group capital grants represent income received under the Schools Condition Allocation and Devolved Formula Capital for capital expenditure and maintenance of the Trusts school sites.
- *Other grants* include LCVAP funding for capital projects undertaken by the Trust that have been funded by LCVAP.
- *Other fixed assets fund* represents capital additions which are non-capital grant funded.
- *Other income* is donations received for a capital project.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	-	23,362,620	(23,362,753)	-	(133)
Start up grants	-	75,000	(45,397)	(9,500)	20,103
Other DfE / ESFA grants	(67,549)	2,096,795	(1,808,959)	(54,232)	166,055
Other government grants	-	1,977,317	(1,977,317)	-	-
Teaching Schools	249,122	947,999	(856,709)	-	340,412
Governors' funds	828,232	409,941	(263,119)	-	975,054
Other income	714,325	52,717	-	(18,054)	748,988
Other grants	181,783	19,639	(190,981)	-	10,441
Pension reserve	(6,195,000)	-	(1,410,000)	(2,697,000)	(10,302,000)
	<u>(4,289,087)</u>	<u>28,942,028</u>	<u>(29,915,235)</u>	<u>(2,778,786)</u>	<u>(8,041,080)</u>
Restricted fixed asset funds					
Transfer on conversion	715,858	-	(8,013)	-	707,845
DfE group capital grants	1,048,322	1,638,860	(1,799,404)	9,500	897,278
Other Grants	105,111	110,665	-	-	215,776
Other fixed assets	33,519	-	(15,949)	25,710	43,280
Other income	23,919	34,823	(202,970)	46,576	(97,652)
	<u>1,926,729</u>	<u>1,784,348</u>	<u>(2,026,336)</u>	<u>81,786</u>	<u>1,766,527</u>
Total restricted funds	<u>(2,362,358)</u>	<u>30,726,376</u>	<u>(31,941,571)</u>	<u>(2,697,000)</u>	<u>(6,274,553)</u>
Unrestricted funds					
General funds	1,608,034	1,598,234	(1,069,925)	-	2,136,343
School funds	805,689	1,772,081	(1,866,412)	-	711,358
	<u>2,413,723</u>	<u>3,370,315</u>	<u>(2,936,337)</u>	<u>-</u>	<u>2,847,701</u>
Total funds	<u>51,365</u>	<u>34,096,691</u>	<u>(34,877,908)</u>	<u>(2,697,000)</u>	<u>(3,426,852)</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Funds

(Continued)

Total funds analysis by academy

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
St Augustine's Catholic Primary School	151,383	112,610
St Alban's Catholic Primary School	476,527	501,792
St Anne's Catholic Primary School	382,485	288,594
St Charles Borromeo Catholic Primary and Nursery	296,497	284,087
Cardinal Newman Catholic Primary School	142,379	171,470
The Holy Family Catholic Primary School	97,175	95,605
St Hugh of Lincoln Primary School	232,406	253,368
Salesian School	1,987,453	1,915,299
St John the Baptist School	1,209,520	1,031,940
The Marist Catholic Primary School	102,419	165,335
St Cuthbert Mayne Catholic Primary School	(26,751)	47,252
St Thomas of Canterbury Catholic Primary School	85,096	-
St Polycarp's Catholic Primary School	252,283	-
St Peter's Catholic Secondary School	124,986	-
Central Services	341,816	241,269
Total before fixed assets fund and pension reserve	5,855,674	5,108,621
Restricted fixed asset fund	2,820,770	1,766,527
Pension reserve	(17,185,000)	(10,302,000)
Total funds	(8,508,556)	(3,426,852)

St Cuthbert Mayne Catholic Primary School is carrying a deficit of £25,958 on these funds due to low numbers on roll.

The academy trust is taking the following actions to return the academy to surplus;

- The numbers on roll are increasing. In the October '20 census there are 201 children compared to 187 in the October '19 census.
- Wrap around care has been introduced to provide childcare outside of school hours. This gives parents more flexibility and also generates additional income.
- Costs are constantly reviewed to ensure value for money and affordability.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
St Augustine's Catholic Primary School	1,211,058	204,627	137,248	246,595	1,799,528	1,757,842
St Alban's Catholic Primary School	1,000,543	213,102	97,069	374,303	1,685,017	1,523,198
St Anne's Catholic Primary School	1,397,400	195,732	81,057	261,764	1,935,953	1,934,909
St Charles Borromeo Catholic Primary and Nursery	848,994	123,672	82,465	179,685	1,234,816	1,202,513
Cardinal Newman Catholic Primary School	1,253,733	174,750	94,715	305,203	1,828,401	1,697,530
The Holy Family Catholic Primary School	669,709	124,873	48,768	158,924	1,002,274	953,805
St Hugh of Lincoln Primary School	623,831	111,652	93,503	142,468	971,454	776,826
Salesian School	6,690,425	979,747	1,238,489	2,911,177	11,819,838	10,632,881
St John the Baptist School	5,796,670	1,123,055	928,824	1,617,024	9,465,573	8,535,240
The Marist Catholic Primary School	1,304,143	239,339	121,922	322,078	1,987,482	1,931,251
St Cuthbert Mayne Catholic Primary School	654,695	99,080	57,025	159,401	970,201	673,246
St Thomas of Canterbury Catholic Primary School	1,390,393	221,563	106,324	331,085	2,049,365	-
St Polycarp's Catholic Primary School	1,237,718	183,188	77,094	85,139	1,583,139	-
St Peter's Catholic Secondary School	4,439,493	544,243	638,513	807,708	6,429,957	-
Central Services	586,142	564,359	38,830	129,227	1,318,558	1,795,326
	<u>29,104,947</u>	<u>5,102,982</u>	<u>3,841,846</u>	<u>8,031,781</u>	<u>46,081,556</u>	<u>33,414,567</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	955,989	955,989
Current assets	3,741,939	6,617,631	1,864,781	12,224,351
Creditors falling due within one year	(331,788)	(3,947,216)	-	(4,279,004)
Creditors falling due after one year	(74,892)	(150,000)	-	(224,892)
Defined benefit pension liability	-	(17,185,000)	-	(17,185,000)
Total net assets	3,335,259	(14,664,585)	2,820,770	(8,508,556)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	751,122	751,122
Current assets	3,321,625	5,345,843	1,015,405	9,682,873
Creditors falling due within one year	(473,924)	(2,904,923)	-	(3,378,847)
Creditors falling due after one year	-	(180,000)	-	(180,000)
Defined benefit pension liability	-	(10,302,000)	-	(10,302,000)
Total net assets	2,847,701	(8,041,080)	1,766,527	(3,426,852)

22 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £656,851 were payable to the schemes at 31 August 2020 (2019: £396,366) 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' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

22 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £4,115,867 (2019: £2,024,018).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.7% for employers and 5.5-12.5% for employees. The estimated value of employer contributions for the forthcoming year is £1,631,000

As described in note 31 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. 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.

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.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

22 Pension and similar obligations

(Continued)

Total contributions made	2020 £	2019 £
Employer's contributions	1,545,000	1,070,000
Employees' contributions	484,000	330,000
Total contributions	2,029,000	1,400,000

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.1	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020 Years	2019 Years
Retiring today		
- Males	22.1	21.6
- Females	24.3	23.6
Retiring in 20 years		
- Males	22.9	22.5
- Females	25.7	25.0

FRS102 does not require disclosure of the sensitivity of the results to the methods and assumptions used. However, it is recommended best practice that this information is included.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:-

Change in assumptions at 31 August 2020:	Approximate % increase to Employers Liability	Approximate monetary amount (£'000)
0.5% decrease in real discount rate	11%	3,827
0.5% increase in the Salary Increase Rate	1%	272
0.5% increase in Pension Increase Rate	10%	3,495

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

22 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2020 Fair value £	2019 Fair value £
Equities	11,788,560	8,473,140
Bonds	2,783,410	2,148,120
Property	1,309,840	954,720
Other assets	491,190	358,020
Total market value of assets	16,373,000	11,934,000

The actual return on scheme assets was £(1,165,000) (2019: £683,000).

Amount recognised in the Statement of Financial Activities	2020 £	2019 £
Current service cost	3,686,000	2,091,000
Past service cost	-	89,000
Interest income	(296,000)	(295,000)
Interest cost	549,000	485,000
Total operating charge	3,939,000	2,370,000

Changes in the present value of defined benefit obligations	2020 £
At 1 September 2019	22,236,000
Transferred in on existing academies joining the academy trust	6,519,000
Current service cost	3,686,000
Interest cost	549,000
Employee contributions	484,000
Actuarial loss	267,000
Benefits paid	(183,000)
At 31 August 2020	33,558,000

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

22 Pension and similar obligations (Continued)

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

	2020 £
At 1 September 2019	11,934,000
Transferred in on existing academies joining the academy trust	3,758,000
Interest income	296,000
Actuarial loss/(gain)	(1,461,000)
Employer contributions	1,545,000
Employee contributions	484,000
Benefits paid	(183,000)
At 31 August 2020	16,373,000
Net deficit at 31 August	17,185,000

23 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the reporting period (as per the statement of financial activities)	(3,353,704)	(781,217)
Adjusted for:		
Net deficit on conversion to academy	1,970,228	40,954
Capital grants from DfE and other capital income	(3,192,277)	(1,749,525)
Investment income receivable	(6,401)	(8,600)
Defined benefit pension costs less contributions payable	2,141,000	1,110,000
Defined benefit pension scheme finance cost	253,000	190,000
Depreciation of tangible fixed assets	25,133	53,309
(Increase)/decrease in stocks	(2,372)	4,581
(Increase)/decrease in debtors	(670,380)	45,001
Increase/(decrease) in creditors	883,514	(88,250)
Stocks, debtors and creditors transferred on conversion	(121,930)	36,521
Net cash used in operating activities	(2,074,189)	(1,147,226)

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	Other non- cash changes £	31 August 2020 £
Cash	8,534,416	1,868,726	-	10,403,142
Loans falling due within one year	(30,000)	40,396	(57,039)	(46,643)
Loans falling due after more than one year	(180,000)	-	(44,892)	(224,892)
	<u>8,324,416</u>	<u>1,909,122</u>	<u>(101,931)</u>	<u>10,131,607</u>

25 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	51,281	32,318
Amounts due in two and five years	74,812	31,128
	<u>126,093</u>	<u>63,446</u>

26 Capital commitments

At 31 August 2020 there was a capital commitment of £775,945 (2019 - £nil) for extension to buildings.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Related party transactions

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

The Trust operates from land and buildings provided rent free by the Bishop of Arundel & Brighton and the Trustees. Under an agreement between the Diocese, the Trust 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 governor on the local governing committee at Salesian School designed poster and wall art for the school. The school paid £1,185 for these services. The services were procured in accordance with the Trusts procurement policy.

Religious Education courses and a school Chaplaincy course were provided by the Diocese of Arundel & Brighton to a number of schools within the Trust. The total paid to the Diocese in the year in respect of these courses was £705. The services were procured in accordance with the Trust procurement policy.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

28 Members' liability

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

29 Agency arrangements

The academy distributes SCITT bursary funds to student teachers as an agent for TRA. During the accounting period ending 31 August 2020 the trust received £956,200 (2019: £808,100) and disbursed £956,200 (2019: £808,100).

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

30 Teaching Schools trading account	2020		2019	
	£	£	£	As restated £
Direct income				
Fee income		317,658		314,174
Other income		822,216		633,825
Total income		1,139,874		947,999
Direct costs				
Direct staff costs	464,115		375,453	
Educational supplies and services	1,146		8,336	
Staff development	8,591		7,359	
Educational consultancy	36,000		216,161	
Other direct costs	-		1,037	
Total income	509,852		608,346	
Other costs				
Support staff costs	107,004		117,128	
Technology costs	5,293		4,239	
Maintenance of premises and equipment	1,561		-	
Energy costs	493		-	
Rent and rates	-		2,625	
Insurance	125		-	
Other support costs	345,128		121,295	
Share of governance costs	1,000		3,076	
	460,604		248,363	
Total operating costs		(970,456)		(856,709)
Surplus from teaching schools		169,418		91,290
Teaching Schools balances at 1 September 2019		340,412		249,122
Teaching Schools balances at 31 August 2020		509,830		340,412

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

31 Conversion to an academy

As detailed below, these schools 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 the 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 values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as charitable activities – 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.

Academy	Location	Date of conversion
St Thomas of Canterbury Catholic Primary School	Guildford	1 September 2019
St Polycarp's Catholic Primary School	Farnham	1 September 2019
St Peter's Catholic Secondary School	Guildford	1 October 2019

	2020 £
Net assets transferred:	
Freehold land and buildings	30,000
Leasehold land and buildings	200,000
Cash	682,702
Borrowing obligations	(101,930)
Pension scheme deficit	(2,761,000)
Accruals	(20,000)
	<u>(1,970,228)</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2020 £
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	230,000	230,000
LA budget funds	315,992	-	-	315,992
LGPS pension funds	-	(2,761,000)	-	(2,761,000)
Other funds	-	244,780	-	244,780
	<u>315,992</u>	<u>(2,516,220)</u>	<u>230,000</u>	<u>(1,970,228)</u>

Land and buildings have not been recognised as the Diocese retained 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 for the transferred schools.