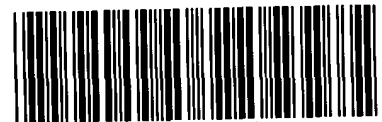


Company Registration No. 08137421 (England and Wales)

ST FRANCIS XAVIER'S COLLEGE
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017

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ST FRANCIS XAVIER'S COLLEGE

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 12
Governance statement	13 - 19
Statement on regularity, propriety and compliance	20
Statement of governors' responsibilities	21
Independent auditor's report on the accounts	22 - 23
Independent reporting accountant's report on regularity	24 - 25
Statement of financial activities including income and expenditure account	26 - 27
Balance sheet	28
Statement of cash flows	29
Notes to the accounts including accounting policies	30 - 49

ST FRANCIS XAVIER'S COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Mr D Delaney (Appointed by members)
Mrs P Pacey (Support staff governor) (Resigned 30 June 2017)
Mrs M Gormely (Appointed by members)
Dr A Keeley (Chair of Governors)
Mr J Lloyd (Teaching staff) (Resigned 30 June 2017)
Mr S McNally (Parent governor)
Mr N O'Hare (Appointed by members)
Mrs A Oliver (Parent governor) (Resigned 1 December 2016)
Bro F Patterson (Appointed by members)
Mr M Power (Appointed by members) (Resigned 28 August 2017)
Mr D Reynolds (Co-opted by members)
Mr L D Rippon (Head Teacher)
Mrs L Riccio-Jones (Parent governor)
Mr N Summers (Parent governor)
Mr H N King (Appointed by members) (Resigned 30 June 2017)
Mr D Bowers (Teaching staff)
Mrs S Coleman (Parent governor)
Mr A Crilly (Parent governor) (Appointed 1 September 2016)
Mr M Edwards (Appointed by members)
Mr A Emmott (Appointed by members)
Mrs C McGuinness (Appointed by members)
Mrs J Murphy (Parent governor) (Appointed 1 September 2016)
Ms A Fitzsimmons (Teaching staff) (Appointed 1 September 2017)
Mr P Rawlinson (Parent governor) (Appointed 1 December 2016)
Ms G Butcher (Support staff governor) (Appointed 27 September 2017)
Ms P Formela (Appointed by members) (Appointed 1 September 2017)
Bro L Seite (Appointed by members)

Members

Bro F Patterson
Bro Seite
Dr A Keeley

Senior management team

- Exec Head Teacher
- Head of School
- Deputy Head Teacher KS4
- Deputy Head Teacher KS3
- Business Manager

Mr L D Rippon
Mr G Flowers
Bro P Tracey
Mrs K Fay
Mrs M Black

Company secretary

Mrs D Banks

Company registration number

08137421 (England and Wales)

Registered office

Woolton Hill Road
Liverpool
L25 6EG

ST FRANCIS XAVIER'S COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT
Bankers	Lloyds Bank plc Liverpool Law Courts Merchants Court 2-12 Lord Street Liverpool L2 1TS
Solicitors	Stone King Solicitors 13 Queen Square Bath BA1 2HJ

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates as an academy for pupils aged 11 to 18 serving a catchment area in South Liverpool. It has a pupil capacity of 980 for aged 11 to 16 and 250 for aged 16-19 and had a roll of 954 11-16 and a roll of 226 16-19 in the school census on 5th October 2017.

Structure, governance and management

Constitution

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

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

Details of the Trustees and Governors who served during the year are included in the Reference and Administration Details on Page 1.

Members' liability

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

Governors' indemnities

In accordance with normal commercial practice, the school has purchased Risk Protection Insurance from the Education and Skills Funding Agency (introduced to academies in September 2014) to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The indemnity is unlimited.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Method of recruitment and appointment or election of governors

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

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

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

There are 3 member governors who are entitled to nominate or appoint one or more Directors, they are detailed below:

Bro Seite
Bro Francis Patterson
Dr A Keeley

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

Policies and procedures adopted for the induction and training of governors

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

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

Principal activities

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

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Organisational structure

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

There are 2 committees, meeting termly, all of whom are responsible for school policy, practice and performance and monitor aspects of their work by discussion/review/challenge:

- Finance & Buildings Committee – financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget.
- Education Committee – curriculum planning, target setting, assessment and examinations.

There is also another committee which meets at least once a year

- Staffing Pay Committee – performance management, staffing levels, appointments, salaries, CPD, work-life balance and personnel policies.

The following decisions are reserved for the Governors:

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

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

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

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

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

The Executive Headteacher is the Accounting Officer.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Arrangements for setting pay and remuneration of key management personnel

The Governing Body is responsible for:

- Formal approval of the policy following relevant consultation.
- Establishing a Pay Committee and a Pay Appeals Committee with delegated responsibility and authority to implement the pay policy on its behalf.
- Appointing 2/3 Governors (known as the Appointed Governors) to review the Head Teacher's performance on an annual basis.
- Setting and agreeing the school's budget including the staffing budget.
- Ensuring that all teacher's salaries (including the Head Teacher) are reviewed inline with statutory provision.
- Considering an annual report, including statistical information, on decisions taken in accordance with the terms of the policy.

The Governing Body has delegated its pay powers to the Pay Committee. Any person employed to work at the school, other than the Head Teacher, must withdraw from a meeting at which the pay or appraisal of any other employee of the school is under consideration. The Head Teacher must withdraw from that part of the meeting where the subject of consideration is his or her own pay. A relevant person must withdraw where there is a conflict of interest or any doubt about his/her ability to act impartially. No member of the Governing Body who is employed to work in the school shall be eligible for membership of this committee. The Pay Committee will be attended by the Head Teacher in an advisory capacity. Where the Pay Committee has invited either a representative of the LA or the external adviser to attend and offer advice on the determination of the Head Teacher's pay, that person will withdraw at the same time as the Head Teacher while the committee reaches its decision. Any member of the committee required to withdraw will do so.

The responsibilities of the Pay Committee will be determined from time to time by the Governing Body. The current responsibilities are:

- To establish and review annually the school's pay policy and staffing structure and submit it to the Governing Body for approval.
- To achieve the aims of the whole school pay policy in a fair and equal manner.
- To determine salary on appointment of a teacher.
- To apply the criteria set by the whole school pay policy and take decisions regarding the pay of all teachers including the Head Teacher, following consideration of the recommendations of appraisal reports and relevant advice.
- To ensure that the Head Teacher is informed of the outcome of any pay decision and the right of appeal.
- To observe all statutory and contractual obligations.
- To minute clearly the reasons for all decisions and report the fact of these decisions to the next meeting of the full Governing Body.
- To recommend to the Governing Body the annual budget needed for pay, bearing in mind the need to ensure the availability of monies to support any exercise of pay discretion.
- To keep abreast of relevant developments and to advise the Governing Body when the school's pay policy needs to be revised.
- To work with the Head Teacher in ensuring that the Governing Body complies with the Appraisal Regulations 2012 (Teachers).
- The report of the Pay Committee will be placed in the confidential section of the Governing Body's agenda and will be either received or referred back. Reference back may occur only if the Pay Committee has exceeded its powers under the policy.

The Head Teacher is responsible for:

- Ensuring that pay recommendations for the Deputy and Assistant Head Teacher(s) and classroom teachers are made and submitted to the Pay Committee in accordance with the terms of the policy.
- Advising the Pay Committee on its decisions.
- Ensuring that staff are informed of the outcome of decisions of the Pay Committee and of the right to appeal.

The Appeals Committee of the Governing Body is responsible for:

- Taking decisions on appeals against the decisions of the Pay Committee in accordance with the terms of the appeals procedure of the policy.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Related parties and other connected charities and organisations

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

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

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

There are no sponsors.

Objectives and activities

Objects and aims

The purpose of the Academy Trust is to provide education for children aged 11-18 within a catholic education environment.

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

Objectives, strategies and activities

The priorities of the Academy Trust for 2017 – 2018 are:-

- Reduce the proportion of pupils obtaining a C in English or Maths only and not both.
- Improve progress of pupils 3 LOP in Science.
- 6th Form Recruitment.
- Implementation of post Ofsted Action Plan.

The school development plan gives further details on how this will be achieved.

Public benefit

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

Strategic report

Achievements and performance

The Academy caters for boys aged 11-16. GCSE performance this year was above that of the national picture for boys. In both English and Maths, 61.7% of all pupils obtained a grade 4 or above in both subjects compared to a national figure for boys of 53.5%. In terms of English and Maths, 74% of pupils obtained a grade 4 or above in English (national figure 64.7%) and 67% gained a grade 4 or above in Maths (national figure 60.5%).

Students obtained very good post 16 results with 95% of students progressing into higher education. The average grade being obtained was C at 'A' Level and Distinction for Vocational courses.

NEET (not in employment, education or training) figures are outstanding. They stand at 0.0% for the Y11, 0.0% for the Y12 and 0.0% for the Y13 group of 2016-17.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Key performance indicators

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

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

As funding is based on student numbers this is also a key performance indicator. Student numbers for Spring Census 2017 were 960 in years 7-11 and 214 in 6th Form and 954 and 226 in the Autumn Census respectively. The 6th Form numbers can vary from one year to the next and this is a matter reviewed regularly by the Academy Governors and Leadership Team, bearing in mind the downward trend of 6th Form funding.

Going concern

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

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Financial review

Most of the Academy's income is obtained from the ESFA via the Pre 16 GAG funding and Post 16 GAG funding, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31st August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. The grant has declined since 2012 when we became an academy. The loss of the Education Support Grant, the reduction in 6th form funding, staff rises, NI and Pension ER's costs not being funded have proved to be very challenging and have caused a deficit balance in this year's accounts. The college along with the Governing Body have a 3 year plan to address the deficit. In 2018/19 the Leadership Team will reduce in size from 11% of staff wage cost to 7.5%, this will help to reduce the deficit. The Governors are also looking at a curriculum review to help bring the balance back to a surplus balance. We have also made 1 TA redundant in September 2017 and have not replaced several other support staff that left in the summer in an attempt reduce the deficit.

During the period ended 31st August 2017, expenditure was covered by recurrent grant funding from the DfE, together with other incoming resources.

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

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

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

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

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

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

Reserves policy

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

The Academy is carrying a net surplus on funds excluding the pension scheme liability of £18,206,461, and at the end of the period has a reserves deficit of £(117,524).

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

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Investment policy and powers

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

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

Principal risks and uncertainties

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

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

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

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

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

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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

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

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

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

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

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

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

Plans for future periods

Our primary focus in 2017/2018 is to ensure our students make significant progress and achieve high degrees of success in their examinations.

At our Leadership Conference which is usually held in February each year, staff, work to produce a 3 year plan to improve teaching and learning using the financial resources available to the college. We have an Academy that is continually striving to improve results and have implemented a detailed Post Ofsted Action Plan which is monitored closely by Governors. Pupil Premium is targeted at students who come from disadvantaged backgrounds to help make progress for such pupils.

The Leadership Team are working hard to embrace the various changes to the curriculum which are coming on line for 2017/18 in order that the best interests of students are served.

We have invested a large sum of money in the Main Building over the last 5 years. The building is over 60 years old and required major refurbishment work. This has now been carried out in the form of a new roof, new windows replacements, new fire doors, new lighting, new flooring, a new heating system following a successful Capital Maintenance Bid from the ESFA and a new fire alarm system.

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

Funds held as custodian trustee on behalf of others

The Academy and its Governors do not act as the custodian trustees of any other charity.

ST FRANCIS XAVIER'S COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Auditor

In so far as the governors are aware:

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

The governor's report, incorporating a strategic report, was approved by order of the members of the Governing Body on Thursday 23rd November 2017 and signed on its behalf by:



Dr A Keeley
Chair of Governors

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The governing body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring the financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Francis Xavier's College and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weakness or breakdowns in internal control.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities.

The governors carry out regular reviews and evaluations of governance to assess the effectiveness of the board of governors. The last self evaluation was carried out in November 2012, and a review of the delivery of the vision statement was conducted in March 2013.

The board of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
Mr D Delaney (Appointed by members)	3	3
Mrs P Pacey (Support staff governor) (Resigned 30 June 2017)	3	3
Mrs M Gormely (Appointed by members)	2	3
Dr A Keeley (Chair of Governors)	3	3
Mr J Lloyd (Teaching staff) (Resigned 30 June 2017)	3	3
Mr S McNally (Parent governor)	1	3
Mr N O'Hare (Appointed by members)	2	3
Mrs A Oliver (Parent governor) (Resigned 1 December 2016)	1	1
Bro F Patterson (Appointed by members)	3	3
Mr M Power (Appointed by members) (Resigned 28 August 2017)	1	3
Mr D Reynolds (Co-opted by members)	2	3
Mr L D Rippon (Head Teacher)	3	3
Mrs L Riccio-Jones (Parent governor)	3	3
Mr N Summers (Parent governor)	3	3
Mr H N King (Appointed by members) (Resigned 30 June 2017)	2	3
Mr D Bowers (Teaching staff)	3	3
Mrs S Coleman (Parent governor)	3	3
Mr A Crilly (Parent governor) (Appointed 1 September 2016)	2	2
Mr M Edwards (Appointed by members)	2	3
Mr A Emmott (Appointed by members)	2	3
Mrs C McGuinness (Appointed by members)	3	3
Mrs J Murphy (Parent governor) (Appointed 1 September 2016)	2	3
Ms A Fitzsimmons (Teaching staff) (Appointed 1 September 2017)		
Mr P Rawlinson (Parent governor) (Appointed 1 December 2016)	2	2
Ms G Butcher (Support staff governor) (Appointed 27 September 2017)		
Ms P Formela (Appointed by members) (Appointed 1 September 2017)		
Bro L Seite (Appointed by members)	3	3

During the academic year there were 4 resignations from existing governors. The college has a Post Ofsted Action Plan which it is at present administering and this was considered when new governors were being recruited by looking for governors with the skills to help in various areas such as Education & Finance.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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

During the Financial year 2016/17 the Finance Committee discussed and made important decisions in regards to the budget. As budgets in schools are reducing it is important to keep a careful watch on them and the Finance Committee discuss such problems regularly at the meetings. The new budget for 2017/18 was discussed at length in June 2017 as this was an extremely difficult budget to balance. The committee have asked for regular updates on this budget.

Attendance at the meetings in the year was as follows:-

Governors	Meetings attended	Out of possible
Mrs M Gormely (Appointed by members)	2	3
Dr A Keeley (Chair of Governors)	3	3
Mr J Lloyd (Teaching staff) (Resigned 30 June 2017)		
Mr S McNally (Parent governor)	1	3
Mr N O'Hare (Appointed by members)	3	3
Mr M Power (Appointed by members) (Resigned 28 August 2017)		
Mr L D Rippon (Head Teacher)	3	3
Mrs L Riccio-Jones (Parent governor)	3	3
Mr H N King (Appointed by members) (Resigned 30 June 2017)		
Mr D Bowers (Teaching staff)		

Review of value for money

As Accounting Officer of St Francis Xavier's College, the head teacher 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 taxpayers resources received.

The Accounting Officer has ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The Academy Trust is committed to:-

Improving educational results

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

Targeted Improvement

The success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. The staffing structure of the college is monitored and reviewed regularly by the Senior Leadership Team and the Governing Body to ensure staff are deployed efficiently and effectively thus ensuring the curriculum needs of pupils are met.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Focus on Individual Pupils

Pupil premium funds are utilised to narrow the educational attainment gap along with other key interventions across Years 7-11 which are funded to raise achievement. Pupil premium achievement outcomes are managed by the Director of Development and are reported to Full Governors annually. The college has introduced additional teaching support such as mentoring and 1:1 support to help raise attainment of pupils who are struggling to achieve their full potential.

Collaboration

The Academy has maintained its relationships with the Local Authority and on a number of occasions worked with the School Improvement Partner to review Teaching and Learning to enable additional strategies to be used. This has enabled the Academy to share best practice and allowed standards to be driven effectively and at a low cost.

The Academy is part of a Sixth Form Collaborative with three other schools which provides opportunities for sharing delivery and good practice of Level 3 Courses. This enables our 16-19 cohort to have a broader and more diverse curriculum.

New Initiatives

The Academy has in the last two years worked with the Local Authority to provide a Capital new build which is providing a new fully equipped Science block, a new Sports Hall and refurbished Music Suites. Front Entrance, Reception area and Admin facilities. These new additions have made the site more secure and in doing so have provided better safeguarding for both pupils and staff. The new facilities will allow for better learning and teaching for all pupils.

Quantifying improvements

Detailed analysis will be available concerning our 2017 results and also the lessons that can be learned from them when our replacement for Raise online report is published later in the first term of the Academic Year. This analysis includes the progress that our students have made compared to their starting points (value added).

Financial governance and oversight

The Academy benefits from the provision of a suitably qualified Finance Committee which reviews key financial policies, systems and procedures, including the use of tenders. Auditors present reports on compliance to the Finance and Audit Committee.

The Finance Committee receive termly budget monitoring reports. As accounting officer I receive statements with full explanations of budget variances. I have day to day access to all staff involved in purchasing and budget monitoring. The Finance Committee have the knowledge to challenge how effective financial management controls are by deploying a firm of Chartered Accountants to report on how the Academy's financial procedures have been implemented.

The Full Governing Body approves the budget each year and is mindful of the need to balance expenditure against income to ensure a secure financial foundation for the Academy Trust. The Governing Body also receives and approves the Annual Accounts and the External Auditors Management Report.

The Academy benchmarks financial performance against other academy trusts to demonstrate that the Trust provides good value for money.

Tender exercises are undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts remain competitive.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Better purchasing

I can be assured that all services and contracts are consistently appraised and negotiated to maintain value for money and quality of delivery. The Academy will continue to compare its costs against other similar Academies. The Academies Financial Handbook along with the Governors Financial Procedures Manual gives clear guidance of how the purchasing and tendering processes are to be carried out. There is evidence kept of this procedure for Audit purposes.

Economies of Scale

The Academy has made a decision to buy back services from the Local Authority at a cost which is lower than going to an external provider in purchasing each individual aspect of the requirements. For example; Subject specific collaborative forums, which provide up to date Ofsted guidance, training and support for subject leaders. If external provision was made this would have put additional pressure on resources.

Better Income generation

The Academy generates income through various grants available. Some of these grants from the EFA and others sourced from other locations such as the Football Foundation.

Reviewing controls and managing risks.

The budget is monitored on a monthly basis and discussions take place between the Business Manager and myself, any significant variances would be discussed at length and the appropriate action taken to address these, so reducing any risk on the budget out turn.

The Academy Trust ensures whenever possible that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential with recorded Governor Approval of the transaction.

Lessons learned

We have now coming to the end of our fourth financial year as an Academy and the accounts have been approved by the Full Governing body. The Auditors reported to the Governing Body that the budget and the accounts have been well managed and there are only a few minor recommendations for improvement, most of which have been addressed or are currently being discussed with the Auditors / Accountants so that they can be addressed.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy for the period 1st September 2016 to 31st August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2016 to 31st August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual three year strategic budget plan and periodic financial reports are reviewed and agreed by the governing body;
- Regular reviews by the Finance Committee of reports presented by the Business Manager indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The governing body have appointed UHY – Hacker Young to carry out the internal audit function. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems this is done on at least an annual basis.

The following checks have been carried out in the past financial year:-

- Testing of the payroll system in detail.
- Testing of the purchase ledger system in detail, including segregation of duties
- Testing of control accounts and bank reconciliations
- Testing of fixed asset systems
- Testing of prepayments and accruals

The internal auditor reports to the governing body on a termly basis on the operation of the system of control and on the discharge of the governing body's financial responsibilities. The work of the internal auditor has been in accordance with the requirements of the financial regulations and there were no items of significance reported.

ST FRANCIS XAVIER'S COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

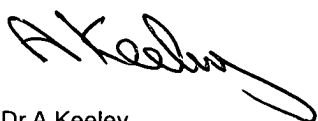
Review of effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the order of the members of the governing body on Thursday 23th November 2017 and signed on its behalf by:



Dr A Keeley
Chair of Governors



Mr L D Rippon
Exec Head Teacher

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2017

As accounting officer of St Francis Xavier's College I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



Mr L D Rippon
Accounting Officer

23 November 2017

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

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

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

In preparing these accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of governors on 23 November 2017 and signed on its behalf by:


Dr A Keeley
Chair of Governors

ST FRANCIS XAVIER'S COLLEGE

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

Opinion

We have audited the accounts of St Francis Xavier's College for the year ended 31 August 2017 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 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

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 governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the governors 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 other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The governors are responsible for the other information. 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.

ST FRANCIS XAVIER'S COLLEGE

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 Governors' Report, including the incorporated strategic report.

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

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

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, the governors 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 governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

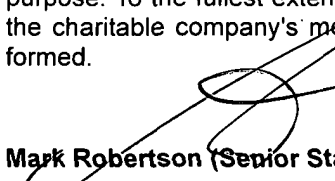
In preparing the accounts, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable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

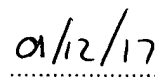
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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.

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


Mark Robertson (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP
Chartered Accountants
Statutory Auditor


St James Building
79 Oxford Street
Manchester
M1 6HT

ST FRANCIS XAVIER'S COLLEGE

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

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Francis Xavier's College during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of St Francis Xavier's College's funding agreement with the Secretary of State for Education dated 20 February 2012 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by 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.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of St Francis Xavier's College for the year ended 31 August 2017 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

ST FRANCIS XAVIER'S COLLEGE

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

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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mark Robertson

Reporting Accountant

UHY Hacker Young Manchester LLP

Dated: 04 December 2017

St James Building
79 Oxford Street
Manchester
M1 6HT

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	3	-	4,383	23,581	27,964	2,332,337
Charitable activities:						
- Funding for educational operations	4	-	5,970,000	-	5,970,000	6,387,410
Other trading activities	5	96,300	207,684	-	303,984	238,630
Investments	6	246	-	-	246	707
Total income and endowments		<u>96,546</u>	<u>6,182,067</u>	<u>23,581</u>	<u>6,302,194</u>	<u>8,959,084</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	6,678,039	514,985	7,193,024	7,392,630
Total expenditure	7	<u>-</u>	<u>6,678,039</u>	<u>514,985</u>	<u>7,193,024</u>	<u>7,392,630</u>
Net income/(expenditure)		96,546	(495,972)	(491,404)	(890,830)	1,566,454
Transfers between funds		(231,867)	255,448	(23,581)	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	550,000	-	550,000	(1,098,000)
Net movement in funds		<u>(135,321)</u>	<u>309,476</u>	<u>(514,985)</u>	<u>(340,830)</u>	<u>468,454</u>
Reconciliation of funds						
Total funds brought forward		135,321	(2,942,000)	18,838,970	16,032,291	15,563,837
Total funds carried forward		<u>-</u>	<u>(2,632,524)</u>	<u>18,323,985</u>	<u>15,691,461</u>	<u>16,032,291</u>

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2016
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	7,284	2,325,053	2,332,337
Charitable activities:					
- Funding for educational operations	4	-	6,387,410	-	6,387,410
Other trading activities	5	46,767	191,863	-	238,630
Investments	6	707	-	-	707
Total income and endowments		<u>47,474</u>	<u>6,586,557</u>	<u>2,325,053</u>	<u>8,959,084</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	6,883,733	508,897	7,392,630
Total expenditure	7	<u>-</u>	<u>6,883,733</u>	<u>508,897</u>	<u>7,392,630</u>
Net income/(expenditure)		47,474	(297,176)	1,816,156	1,566,454
Transfers between funds		(370,523)	250,176	120,347	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	21	-	(1,098,000)	-	(1,098,000)
Net movement in funds		<u>(323,049)</u>	<u>(1,145,000)</u>	<u>1,936,503</u>	<u>468,454</u>
Reconciliation of funds					
Total funds brought forward		458,370	(1,797,000)	16,902,467	15,563,837
Total funds carried forward		<u>135,321</u>	<u>(2,942,000)</u>	<u>18,838,970</u>	<u>16,032,291</u>

ST FRANCIS XAVIER'S COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	18,676,510		19,187,893	
Investments	13	275,000		275,000	
		<u>18,951,510</u>		<u>19,462,893</u>	
Current assets					
Debtors	14	207,194		207,869	
Cash at bank and in hand		35,990		164,438	
		<u>243,184</u>		<u>372,307</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(443,233)		(295,909)	
Net current (liabilities) / assets		<u>(200,049)</u>		<u>76,398</u>	
Total assets less current liabilities		<u>18,751,461</u>		<u>19,539,291</u>	
Creditors: amounts falling due after more than one year	16	(545,000)		(565,000)	
Net assets excluding pension liability		<u>18,206,461</u>		<u>18,974,291</u>	
Defined benefit pension liability	21	(2,515,000)		(2,942,000)	
Net assets		<u>15,691,461</u>		<u>16,032,291</u>	
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds		18,323,985		18,838,970	
- Restricted income funds		(117,524)		-	
- Pension reserve		(2,515,000)		(2,942,000)	
Total restricted funds		<u>15,691,461</u>		<u>15,896,970</u>	
Unrestricted income funds	18	-		135,321	
Total funds		<u>15,691,461</u>		<u>16,032,291</u>	

The accounts set out on pages 26 to 49 were approved by the board of governors and authorised for issue on 23 November 2017 and are signed on its behalf by:

Dr A Keeley
Chair of Governors

Company Number 08137421

ST FRANCIS XAVIER'S COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Net cash used in operating activities	22		(295,670)		(160,173)
Cash flows from investing activities					
Dividends, interest and rents from investments		246		707	
Capital grants from DfE and EFA		23,581		25,167	
Payments to acquire tangible fixed assets		(3,602)		(162,946)	
			20,225		(137,072)
Cash flows from financing activities					
Repayment of other loan		(20,000)		(15,000)	
			(20,000)		(15,000)
Change in cash and cash equivalents in the reporting period			(295,445)		(312,245)
Cash and cash equivalents at 1 September 2016			164,438		476,683
Cash and cash equivalents at 31 August 2017			(131,007)		164,438
Relating to:					
Bank and cash balances			35,990		164,438
Bank overdrafts			(166,997)		-

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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 financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Francis Xavier's College meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The governors 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 governors 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 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 receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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.

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.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

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 fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor 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.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges 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.

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, governors' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

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

Land and buildings	45 - 50 years straight line
Plant and machinery	25% reducing balance
Building adaptations	10 years straight line
Fixtures, fittings & equipment	25% reducing balance/3 years straight line

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

The majority of the land and buildings occupied by the Academy since conversion on 1 August 2013 are subject to a Supplemental Agreement between the beneficial owners (The Trustees of the Brother of Christian Instruction) and the Secretary of State. Under this agreement the land and buildings are made available at no cost for the use of the Academy for the shorter of, the duration of the funding agreement or, two years notice from the beneficial owners. In the opinion of the Governors, in substance, the Academy has the full future benefit of the land and buildings occupied and as such an asset representing this right of use has been included in the balance sheet at its value on conversion and is being depreciated over its useful economic life of 45 years. The land and buildings are capitalised on a depreciated replacement cost basis, with a land element of £528,000. Land is not depreciated.

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.

1.6 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.

1.7 Leasing and hire purchase commitments

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

1.8 Investments

Investment properties are included in the balance sheet at their open market value and are not depreciated, in accordance with FRS102.

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.

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.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

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 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.

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities 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.

1.12 Fund accounting

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

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

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

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.13 Agency Arrangements

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

The academy also acts as an agent in distributing money received from the canteen. Payments received from the students and subsequent disbursements to a third party, Chartwells, are excluded from the Statement of Financial Activities as the trust does not have control over the application of the funds.

The funds received and paid and any balances held are disclosed in note 19.

1.14 Other loans

Other loans are recorded at amortised cost. The Academy considers this to be appropriate as the loan is a public benefit entity concessionary loan which is interest free.

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.

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 21, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donated fixed assets	-	-	-	2,205,009
Capital grants	-	23,581	23,581	120,044
Other donations	-	4,383	4,383	7,284
	-	27,964	27,964	2,332,337

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,958,603	5,958,603	6,356,425
Other government grants				
Local authority grants	-	11,397	11,397	30,985
Total funding	-	5,970,000	5,970,000	6,387,410

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	55,934	-	55,934	30,240
Catering income	5,494	-	5,494	16,527
Music tuition	34,872	-	34,872	-
Income from other schools	-	44,268	44,268	34,819
Trip income	-	128,263	128,263	128,205
Other income	-	35,153	35,153	28,839
	96,300	207,684	303,984	238,630

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Short term deposits	-	-	-	707
Other investment income	246	-	246	-
	246	-	246	707

7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
- Direct costs	4,144,834	-	637,729	4,782,563	4,947,841
- Allocated support costs	1,045,316	596,349	768,796	2,410,461	2,444,789
Total expenditure	5,190,150	596,349	1,406,525	7,193,024	7,392,630

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

7	Expenditure	(Continued)	
Net income/(expenditure) for the year includes:		2017	2016
		£	£
Fees payable to auditor for:			
- Audit		7,500	7,500
- Other services		5,267	19,586
Operating lease rentals		170,468	132,501
Depreciation of tangible fixed assets		514,965	338,616
Gain/(loss) on disposal of fixed assets		-	13,272
		<u> </u>	<u> </u>
8	Charitable activities	2017	2016
		£	£
All from restricted funds:			
Direct costs - educational operations		4,782,563	4,947,841
Support costs - educational operations		2,410,461	2,444,789
		<u> </u>	<u> </u>
		7,193,024	7,392,630
		<u> </u>	<u> </u>
		2017	2016
		£	£
Analysis of support costs			
Support staff costs excluding governance		972,400	942,101
Depreciation and amortisation		514,985	263,353
Technology costs		156,365	225,820
Premises costs		356,454	501,645
Other support costs		302,222	364,924
Governance costs including staff costs		108,035	146,946
		<u> </u>	<u> </u>
		2,410,461	2,444,789
		<u> </u>	<u> </u>
9	Staff costs	2017	2016
		£	£
Wages and salaries		3,957,549	4,003,998
Social security costs		386,061	333,932
Operating costs of defined benefit pension schemes		741,976	677,610
		<u> </u>	<u> </u>
Staff costs		5,085,586	5,015,540
Supply staff costs		94,164	84,610
Staff development and other staff costs		10,400	17,638
		<u> </u>	<u> </u>
Total staff expenditure		5,190,150	5,117,788
		<u> </u>	<u> </u>

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

Staff numbers

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

	2017 Number	2016 Number
Teachers	68	67
Administration and support	54	53
Management	8	9
	<u>130</u>	<u>129</u>

Higher paid staff

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

	2017 Number	2016 Number
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	2	1
In the band £110,001 - £120,000	-	1
	<u></u>	<u></u>

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £378,417 (2016: £448,496).

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

10 Governors' remuneration and expenses

The Principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, travel and subsistence payments totalling £nil (2016 - £nil) were reimbursed to the governors.

The value of governors' remuneration and other benefits was as follows:

Mr L D Rippon (Head Teacher):

Remuneration £45,000 - £50,000 (2016: £110,000 - £115,000)

Employer's pension contributions £0 - £5,000 (2016: £15,000 - £20,000)

Mr J Lloyd (Staff trustee):

Remuneration £50,000 - £55,000 (2016: £50,000 - £55,000)

Employer's pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000)

Mr D Reynolds (Staff trustee):

Remuneration £20,000 - £25,000 (2016: £20,000 - £25,000)

Mr D Bowers (Staff trustee):

Remuneration £45,000 - £50,000 (2016: £45,000 - £50,000)

Employer's pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000)

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

11 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim. This expense is now covered by the Risk Protection Arrangement (RPA) paid to the ESFA.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Building adaptations	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2016	19,669,543	60,933	766,188	122,447	20,619,111
Additions	-	-	-	3,602	3,602
At 31 August 2017	19,669,543	60,933	766,188	126,049	20,622,713
Depreciation					
At 1 September 2016	1,196,350	33,228	146,208	55,432	1,431,218
Charge for the year	408,991	6,926	76,617	22,451	514,985
At 31 August 2017	1,605,341	40,154	222,825	77,883	1,946,203
Net book value					
At 31 August 2017	18,064,202	20,779	543,363	48,166	18,676,510
At 31 August 2016	18,473,193	27,705	619,980	67,015	19,187,893

The land and buildings inherited on conversion were valued by FHP Property Consultants in December 2013 on a depreciated replacement cost basis at £12,300,000, which includes a land element of £528,000 which is not depreciated.

In 2015/16 the new science block and upgrade of the existing sports hall and surrounding areas was completed and transferred to land and buildings. This was valued on an actual cost basis of £7,369,543 provided by Liverpool City Council.

13 Fixed asset investments

	Freehold investment property £
Market value	
At 1 September 2016 and at 31 August 2017	275,000
Historical cost:	
At 31 August 2017	275,000
At 31 August 2016	275,000

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

13 Fixed asset investments

(Continued)

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

14 Debtors	2017 £	2016 £
Trade debtors	5,913	12,862
Other debtors	38,108	42,525
Prepayments and accrued income	163,173	152,482
	<u>207,194</u>	<u>207,869</u>

15 Creditors: amounts falling due within one year	2017 £	2016 £
Other loans	20,000	20,000
Bank overdrafts	166,997	-
Trade creditors	62,779	32,074
Other creditors	38,923	38,923
Accruals and deferred income	154,534	204,912
	<u>443,233</u>	<u>295,909</u>

16 Creditors: amounts falling due after more than one year	2017 £	2016 £
Other loans	<u>545,000</u>	<u>565,000</u>

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

(Continued)

16 Creditors: amounts falling due after more than one year	2017	2016
Analysis of loans		
Total loans	565,000	585,000
Less: included in current liabilities	(20,000)	(20,000)
Amounts included above	545,000	565,000
Instalments not due within five years	465,000	585,000
Loan maturity		
Debt due in one year or less	20,000	20,000
Due in more than one year but not more than two years	20,000	20,000
Due in more than two years but not more than five years	60,000	60,000
Due in more than five years	465,000	485,000
	565,000	585,000

Other loans includes an interest free 30 year loan to St Francis Xavier's College from the LCC to finance the school's contribution to the cost of the new science block. This loan is EFA approved.

17 Deferred income	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	52,621	55,131
Deferred income at 1 September 2016	55,131	61,565
Released from previous years	(55,131)	(61,565)
Amounts deferred in the year	52,621	55,131
Deferred income at 31 August 2017	52,621	55,131

Deferred income includes funds received in advance in relation to trips and rates which relate to 17/18.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	5,958,603	(6,555,039)	478,912	(117,524)
Other government grants	-	11,397	-	(11,397)	-
Other restricted funds	-	212,067	-	(212,067)	-
	<u>-</u>	<u>6,182,067</u>	<u>(6,555,039)</u>	<u>255,448</u>	<u>(117,524)</u>
Funds excluding pensions	-	6,182,067	(6,555,039)	255,448	(117,524)
Pension reserve	(2,942,000)	-	(123,000)	550,000	(2,515,000)
	<u>(2,942,000)</u>	<u>6,182,067</u>	<u>(6,678,039)</u>	<u>805,448</u>	<u>(2,632,524)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	18,838,970	23,581	(514,985)	(23,581)	18,323,985
	<u>18,838,970</u>	<u>23,581</u>	<u>(514,985)</u>	<u>(23,581)</u>	<u>18,323,985</u>
Total restricted funds	<u>15,896,970</u>	<u>6,205,648</u>	<u>(7,193,024)</u>	<u>781,867</u>	<u>15,691,461</u>
Unrestricted funds					
General funds	135,321	96,546	-	(231,867)	-
	<u>135,321</u>	<u>96,546</u>	<u>-</u>	<u>(231,867)</u>	<u>-</u>
Total funds	<u>16,032,291</u>	<u>6,302,194</u>	<u>(7,193,024)</u>	<u>550,000</u>	<u>15,691,461</u>

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

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

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

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds

(Continued)

Movements in funds - previous year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	-	6,356,425	(6,836,733)	480,308	-
Other government grants	-	30,985	-	(30,985)	-
Other restricted funds	-	199,147	-	(199,147)	-
Funds excluding pensions	-	6,586,557	(6,836,733)	250,176	-
Pension reserve	(1,797,000)	-	(47,000)	(1,098,000)	(2,942,000)
	(1,797,000)	6,586,557	(6,883,733)	(847,824)	(2,942,000)
Restricted fixed asset funds					
DfE / ESFA capital grants	16,902,467	2,325,053	(508,897)	120,347	18,838,970
Total restricted funds	15,105,467	8,911,610	(7,392,630)	(727,477)	15,896,970
Unrestricted funds					
General funds	458,370	47,474	-	(370,523)	135,321
Total funds	15,563,837	8,959,084	(7,392,630)	(1,098,000)	16,032,291

19 Agency Arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2017 the trust received £11,046 (2016: £14,253) and disbursed £6,887 (2016: £3,760) from the fund, with the balance carried forward totalling £4,159.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	18,676,510	18,676,510
Fixed asset investments	-	-	275,000	275,000
Current assets	243,184	-	-	243,184
Creditors falling due within one year	(243,184)	(117,524)	(82,525)	(443,233)
Creditors falling due after one year	-	-	(545,000)	(545,000)
Defined benefit pension liability	-	(2,515,000)	-	(2,515,000)
	-	(2,632,524)	18,323,985	15,691,461

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	19,187,893	19,187,893
Fixed asset investments	-	-	275,000	275,000
Current assets	372,307	-	-	372,307
Creditors falling due within one year	(236,986)	-	(58,923)	(295,909)
Creditors falling due after one year	-	-	(565,000)	(565,000)
Defined benefit pension liability	-	(2,942,000)	-	(2,942,000)
	135,321	(2,942,000)	18,838,970	16,032,291

21 Pensions and similar obligations

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Pensions 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. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The employer's pension costs paid to TPS in the period amounted to £510,591 (2016: £510,609).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The agreed contribution rates for future years are 15.4 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2017 £	2016 £
Employer's contributions	200,000	183,000
Employees' contributions	49,000	44,000
Total contributions	249,000	227,000

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

Principal actuarial assumptions	2017 %	2016 %
Rate of increases in salaries	3.7	3.30
Rate of increase for pensions in payment	2.2	1.90
Discount rate	2.4	2.10
Inflation assumption (CPI)	2.2	1.80

Sensitivity analysis	+0.1% p.a. discount rate £	+0.1% p.a. inflation £	+0.1% p.a. pay growth £	1 year increase in life expectancy £
Liabilities	4,420,000	4,610,000	4,540,000	4,596,000
Assets	(1,999,000)	(1,999,000)	(1,999,000)	(1,999,000)
Deficit/(surplus)	2,421,000	2,611,000	2,541,000	2,597,000
Projected Service Cost for next year	251,000	264,000	257,000	262,000
Projected Interest Cost for next year	58,000	60,000	59,000	60,000

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

	2017 Years	2016 Years
Retiring today		
- Males	21.6	22.5
- Females	24.7	25.4
Retiring in 20 years		
- Males	24.2	24.9
- Females	27.7	28.2

The academy trust's share of the assets in the scheme

	2017 Fair value £	2016 Fair value £
Equities	1,047,000	815,000
Government bonds	68,000	72,000
Other bonds	242,000	183,000
Cash/liquidity	96,000	58,000
Property	160,000	128,000
Other assets	386,000	299,000
Total market value of assets	1,999,000	1,555,000
Actual return on scheme assets - gain/(loss)	214,000	(235,000)

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Pensions and similar obligations		(Continued)
Amounts recognised in the statement of financial activities	2017 £	2016 £
Current service cost (net of employee contributions)	258,000	162,000
Net interest cost	65,000	68,000
Changes in the present value of defined benefit obligations		2017 £
Obligations at 1 September 2016		4,497,000
Current service cost		258,000
Interest cost		96,000
Employee contributions		49,000
Actuarial gain		(367,000)
Benefits paid		(19,000)
At 31 August 2017		4,514,000
Changes in the fair value of the academy trust's share of scheme assets		2017 £
Assets at 1 September 2016		1,555,000
Interest income		31,000
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain		183,000
Employer contributions		200,000
Employee contributions		49,000
Benefits paid		(19,000)
At 31 August 2017		1,999,000

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

22 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2017 £	2016 £
Net (expenditure)/income for the reporting period	(890,830)	1,566,454
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(23,581)	(2,325,053)
Investment income receivable	(246)	(707)
Defined benefit pension costs less contributions payable	58,000	(21,000)
Defined benefit pension net finance cost	65,000	68,000
Depreciation of tangible fixed assets	514,985	495,625
Loss on disposal of fixed assets	-	13,272
Decrease in debtors	675	36,205
(Decrease)/increase in creditors	(19,673)	7,031
Net cash used in operating activities	(295,670)	(160,173)

23 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	46,862	87,381
Amounts due in two and five years	63,416	92,549
Amounts due after five years	74	22,364
	110,352	202,294

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

24 Related party transactions

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

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

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

The proprietor of E.B.C Construction is the spouse of the school's business manager. During the year the academy purchased services to the value of £19,398 (2016 - £68,355) from E.B.C Construction.

Included in debtors is an amount of £5,583 (2016: £9,782) owed by SFX PTA.

ST FRANCIS XAVIER'S COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

25 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.