

Company registration number 10236797 (England and Wales)

**XAVIER CATHOLIC EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

XAVIER CATHOLIC EDUCATION TRUST

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XAVIER CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- Bishop of Arundel and Brighton
 - Chair of Academies Partnership Committee
 - Vice General and Chancellor
 - Trustee of Arundel and Brighton Diocese
 - Arundel, Brighton Roman Catholic Diocesan Corporation
- The Right Reverend Charles Philip Richard Moth
Joseph Peter Davies
Canon Jonathan Martin (from 4 May 2022)
Patrick Burgess (from 4 May 2022)
Sarah Kilmartin, Chief Operating Officer

Directors

Sarah Clark
Maria Dineen
Miroslaw Gliniecki
Michael Harrington
Peter O'Brien (Chair)
John Wells
John Lydon (until 22 September 2022)

Key management personnel

- Chief Executive Officer (CEO)
 - Deputy CEO
 - Chief Financial Officer
 - Finance Director
 - Chief Operating Officer (COO)
 - Headteacher - St Alban's
 - Headteacher - St Hugh of Lincoln
 - Headteacher - St John the Baptist
 - Headteacher - St Charles Borromeo
 - Headteacher - Cardinal Newman
 - Executive Headteacher - Salesian School
 - Head of School - Salesian School
 - Headteacher - St Cuthbert Mayne
 - Executive Headteacher - St Cuthbert Mayne
 - Headteacher - St Anne's
 - Headteacher - St Augustine's
 - Headteacher - The Marist
 - Headteacher - The Holy Family
 - Headteacher - St Thomas of Canterbury
 - Headteacher - St Polycarp's
 - Headteacher - St Peter's Catholic School
 - Headteacher - St Edmund's
- Ani Magill
James Kibble
Nicola Kenworthy (until 29 September 2021)
Tracey Fordyce (from 1 September 2021)
Ceri Murray
Martin Brannigan
Deborah Harper (until 31 August 2022, then Exec Head)
James Granville Hamshar
Stephen Holt
Catherine Burnham
James Kibble (until 31 August 2022)
Paul Gower (until 31 August 2022, then Headteacher)
Natalie McCarthy (until 31 August 2022)
Deborah Harper (from 1 September 2022)
Leanne Harris
Alison Walsh
Kate Licence
Steve Tindall
Neil Lewin (until 31 August 2022, then Exec Head)
Paula Best
Toby Miller
Elizabeth Higgins

Clerk to Governors

Anne Robinson

Company registration number

10236797 (England and Wales)

Principal and registered office

Salesian School
Guildford Road
Chertsey
Surrey
KT16 9LU

XAVIER CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

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

Location

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

Headteacher

Alison Walsh
Martin Brannigan
Leanne Harris
Stephen Holt
Catherine Burnham
Steve Tindall
Deborah Harper (Exec Head)
Paul Gower
James Granville Hamshar
Kate Licence
Deborah Harper (Exec Head)
Neil Lewin (Exec Head)
Paula Best
Toby Miller
Elizabeth Higgins
Ani Magill

Independent auditor

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

Bankers

Lloyds Bank Plc
32 Commercial Way
Woking
Surrey
GU21 6ER

Solicitors

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

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

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

The schools are:-

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

These schools have a combined pupil capacity of 8,670 and had a roll of 8,704 in the school census on October 2022.

Structure, governance and management

Constitution

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

Members' liability

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

Trustees' indemnities

Directors benefit from indemnity insurance (Risk Protection Arrangement) purchased at the Academy Trust's expense to cover the liability of the directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as Directors of the Trust. The limit of the indemnity is £10m and is explained in the 'Governors Liability' section of the RPA.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Method of recruitment and appointment or election of Directors

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

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

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

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

Policies and procedures adopted for the induction and training of Directors

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

Organisational structure

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

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

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

The Board of Directors has delegated governance monitoring to the Local Governing Committees in each school. Leadership and Management of each school within the Multi Academy Trust is delegated by Directors to the Senior Leadership Team of each school.

The Board of Directors maintains overall control for:

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

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

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Arrangements for setting pay and remuneration of key management personnel

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

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

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

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

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

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

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Trust to publish information on facility time arrangements for trade union officials at the Trust. The Trust confirms that there were no employees acting as trade union officials within the meaning of these regulations during the year ended 31 August 2022 and therefore no employee spent time on facility time and no percentage of the pay bill was spent on facility time.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Engagement with employees

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

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

All staff are an integral part of the Trust's drive to constantly improve pupil progress at all levels from entry to reception classes through to GCSE and A levels. The involvement of employees is encouraged by clear pupil tracking of progress and accountability through the appraisal process and staff involvement in the wider education of pupils through school performances, sports and extra-curricular activities. Each school has a mental health lead and schools share good practice across the Trust with regard to wellbeing, diversity and equality. All staff attend at least two Trust wide training days a year and are able to share resources and initiatives that increase performance through network meetings and forums. Exit interviews are also embedded and provide an insight into staff opinion on a range of issues.

The Xavier Catholic Education Trust and all its schools seek to maintain positive relations with all staff through open communication, forums and consultation and involves Unions in the consultation of policy changes. We are committed to providing equal opportunities for all staff and prospective employees and seek to eliminate unlawful discipline and selection for redundancy. Trustees believe that effective engagement with staff at all levels within the Trust is vital when 'striving for excellence' and by visiting schools, involvement with local governing committees and Headteacher groups combined with updates from the committee meetings, aim to fully understand the levels of engagement and views of all employees.

The Xavier Catholic Education Trust and all its schools' welcome applications from all interested candidates. The recruitment policy and all stages of the application process openly seek to accommodate any additional needs of disabled persons, applying reasonable adjustments for physical disabilities, neurodiversity and long term health conditions. Shortlisting and the interview process are inclusive and once employed as part of the induction process the Trust works with individual employees to ensure the individual adaptations are implemented, to ensure they can carry out their roles effectively and progress their careers in an environment that values all employees equally.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Students

The aim of the Trust is to provide the children in our care with the best possible education within a caring and supportive Catholic ethos.

We support the spiritual, moral, social, cultural, mental and physical development of each child, as well as maximising progress, achievement and attainment to ensure their intellectual growth and to fulfil their potential. The Trust takes its role seriously and our children attend schools where they are cherished, loved and challenged in a setting where everything is underpinned by the Gospel values.

All of our schools strive for excellence in everything that they do.

Customers

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

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

Suppliers

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

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

Related parties and other connected charities and organisations

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

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

Objectives and activities

Objects and aims

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

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

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

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

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

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, strategies and activities

1. Ensure every child receives an excellent education

This means we will:

- Monitor standards in our schools every term to ensure test results improve each year
- Monitor all aspects of education for our under-represented groups to ensure equity
- Ensure every child has opportunities for extra-curricular and enrichment activities and trips
- Quality assure learning and teaching in all schools and monitor development plans
- Share the excellent practice that exists across our schools
- Set aspirational pupil progress targets for all staff and track this each term
- Ensure there are robust self-evaluation procedures in all our schools
- Raise aspirations of all schools not yet in the top 10% in Surrey or nationally
- Ensure all our schools have a diverse range of resources within and outside the curriculum
- Conduct annual research to obtain feedback on our performance from all stakeholders
- Ensure we get feedback from all our under-represented groups on inclusion
- Tackle any underperformance and take robust action
- Provide support for the mental health and wellbeing of all children and adults in the Trust
- Ensure all schools are abreast with the latest research and developments in pedagogy

2. Recruit, develop and retain the best people

This means we will:

- Ensure all staff are developed in their role and this is monitored by the annual appraisal process
- Have a centralized recruitment strategy and succession plan
- Provide a comprehensive range of free leadership programs from Early Career Teacher to headship
- Provide an annual program of professional development for all staff
- Provide an annual training program for Governors and Chairs
- Ensure all under-represented groups have good role models in our schools
- Provide development opportunities for staff wishing to progress in their career
- Develop a culture where everyone feels proud to be part of the Xavier family

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3. Support our schools by providing exceptional central services

This means we will:

- Seek feedback on the quality of central services and review the provision each year
- Expand central services as we grow or the need arises
- Carry out a full due diligence of any school wishing to join the Trust
- Review the partnership contribution on a regular basis
- Review the Trust structures/steering groups as the Trust grows
- Have a timetable of policy review

4. Ensure our Catholicity is at the core of everything we do

This means we will:

- Ensure that the ethos in all our schools is driven by the Christian values which are lived every day
- Continue to provide outstanding pastoral care in all our schools
- Ensure every child feels safe and loved when at school regardless of their ethnic or cultural background
- Ensure all staff and children have opportunities to grow in their faith
- Increase the number of Catholics joining the School Centred Initial Teacher Training (SCITT)
- Provide training opportunities that support the Catholic life of the school
- Support local Catholic schools whenever needed
- Investigate an alternative provision for students unable to access mainstream education
- Maintain strong links with deanery schools outside the Trust
- Be proactive in forming good relationships with our parishes, the academies partnership committee, RSC and other bodies
- Share our resources and lessons learnt with other Catholic trusts
- Share resources on prayer and worship and RE curriculum
- Support schools in difficulty whenever possible

5. We are financially robust and provide value for money

This means we will:

- Have a three year budget for all schools updated biannually
- Have a rolling 5 year maintenance plan to upgrade all our schools
- Work with Governors to ensure we place more emphasis on health and safety
- Review and increase our list of preferred suppliers
- Support schools with financial modelling and budgeting
- Provide benchmarking data for all our schools
- Bid for all available funds
- Investigate ways to generate income
- Procure more services centrally

6. Provide exceptional services through our teaching school hub

This means we will:

- Continue to provide outstanding Early Careers Framework, Continuing Professional Development and National Professional Qualifications
- Build good relationships with all our hub schools and with other hubs
- Hit our Key Performance Indicators and receive good feedback from the Department of Education

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Public benefit

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

Strategic report

Achievements and performance

The Directors feel that the major achievements during the year include:

1. Positive feedback from all schools regarding the support received from Xavier Catholic Education Trust Central teams
2. Xavier Teach SouthEast reaccredited as a teacher training provider in the first round applications, 1 of only 80 out of a potential 216 applicants to be granted this status
3. Across the primary and secondary Teach SouthEast cohort, 100% of Trainees who were on roll in the final term completed and passed the year, gaining Qualified Teacher Status. 99% of secondary Trainees gained employment, with 77% of Trainees being employed within the partnership. 100% of primary Trainees were employed with 92% employed in our partner schools
4. 428 Early Career Teachers are transitioning on to the second year of their induction programme and a further 428 entering onto the first year of the programme this September. The Early Career Framework programme continues to support across more than 330 schools
5. The partnership with SFET continues to grow with 190 programme members beginning their National Professional Qualifications (NPQs) in the spring in addition to the 208 on the autumn cohort from our Teaching School Hub region
6. Continued improvement of school estates, with condition work being carried out in all schools. Each of our 3 secondary schools benefited from a significant project to support expansion
7. Xavier was awarded School Mark accreditation, recognising excellence in school resource management and effective operational practice

Key performance indicators

GCSE	Salesian		SJB		St. Peter's	
	2022	2021	2022	2021	2022	2021
9-7	54%	53%	46%	45%	58%	52%
5 strong passes inc Eng & Ma	89%	80%	85%	80%	90%	80%
5 standard passes inc Eng & Ma	95%	93%	92%	94%	96%	91%
Progress 8	0.74	1.14	0.95	1.14	1.32	0.96
A' Level	Salesian		SJB		St. Peter's	
	2022	2021	2022	2021	2022	2021
A*-A	40%	53%	46%	50%	63%	55%
A*-B	72%	78%	74%	79%	87%	78%
A*-C	91%	93%	93%	93%	99%	93%

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The data below is as per 2019/20 as there were no Statutory Assessment Tests taken in 2020/21 due to Coronavirus and the DfE has announced that school-level data from the KS2 national curriculum assessments will not be published in performance tables in 2022.

School	Ofsted grade	Progress score		
		Reading	Writing	Maths
St Alban's	Good	4	2.1	3.1
St Anne's	Good	1.8	0.4	2.1
St Augustine's	Outstanding	1.8	1	1.6
Cardinal Newman	Good	0.4	1.4	1.5
Holy Family	Good	1.4	2.6	3.8
St Charles Borromeo	Outstanding	1.2	-0.8	2.4
St Hugh of Lincoln	Good	0.8	-1.5	-0.9
St Cuthbert Mayne	Outstanding	1.2	0.2	0.3
The Marist	Good	2.9	2.3	1.1
St Polycarp's	Outstanding	3.2	3	0.4
St Thomas of Canterbury	Good	1.6	0.3	-0.5
St Edmund's	Good	1.9	0.9	0.9

Going concern

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

Promoting the success of the academy trust

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

1. Likely consequences of decisions in the long term – the Trustees' Report on pages 7 to 9 provides information in this regard, together with the Trustees analysis of the Principal risk and uncertainties (page 13).
2. The interests of employees – the Trustees have reported on trade union facility time (page 5), how the Trust has engaged with employees and its equal opportunities commitment (page 6).
3. Need to foster the business relationships with suppliers and others – please see page 7.
4. Impact of operations on the community and the environment – please see page 14 in particular but also the Trust's objectives and Activities on pages 7 to 9.
5. Desirability of maintaining a reputation of high standards of business – the Trustees' report includes reporting on organisation structure, remuneration and related party transactions.
6. Need to act fairly between members – see structure, governance and management on page 3.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to a particular purpose. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2022, total expenditure of £60,475,016 (2021: £52,185,433) was met by recurrent grant funding from the ESFA together with other incoming resources and utilisation of brought forward reserves.

The Trust received £1,555,926 in capital funding (School Condition Allocation) from the ESFA on a formula basis (2021: £1,903,897).

The Trust incurred a deficit of £2,535,790 (2021 – £795,161) for the year (excluding Restricted Fixed Asset Funds) and before the transfer of £2,570,254 (2021 - £718,712) to the Restricted Fixed Asset Fund, giving a total deficit of £5,106,044 (2021 - £1,513,873) reflecting a higher level of capital investment in site improvements in 2022 following a 3 year saving programme.

As at 31 August 2022, the Trust had total surplus funds of £1,907,013 (2021: deficit of £12,915,503). This comprised of £2,194,554 (2021 –£2,553,282) of Restricted general funds, excluding the pension deficit fund of £6,589,000 (2021: £23,227,000), Restricted Fixed Asset Fund £2,581,256 (2021: £3,151,696) and £3,720,203 (2021: £4,253,806) of unrestricted general funds.

Reserves policy

The directors review the reserve levels of the Trust annually. This review encompasses a review of the current year's budgets and the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Apart from any contingency of a maximum of 2% of GAG funding, reserves are held for reinvestment in individual schools, for specific capital projects, curriculum investment and to mitigate the impact of reductions to funding. As at 31 August 2022, restricted funds, excluding pension liability amounted to £4,775,810 (2021: £6,057,691).

As at 31 August 2022, unrestricted funds amounted to £3,720,203 (2021: £4,253,806). It is anticipated that much of this balance will be utilized on projects and initiatives identified in the individual schools over a period determined on a case by case basis.

The deficit on the local government pension scheme of £6,589,000 (see note 22 to the accounts for details) is not relevant in the short term and therefore not considered when determining the level of reserves. The liability is not due in the following accounting period and the deficit will be addressed, based on recommendations of the scheme actuary, over many years.

Investment policy

Xavier Catholic Education Trust does not have any material investments.

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

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

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

The principal risks facing the Trust are considered to be:

- The falling numbers of children entering education in Surrey and the impact on school reception classes in the Trust for future years with a corresponding reduction in funding.
 - Managed by the Trust Operations Team and schools producing a comprehensive analysis and forecast of pupil numbers based on Surrey projections. COO and CEO working with schools to look at marketing and school accessibility. CFO producing 3-year financial models based on expected and worst-case pupil numbers. Monitored by Trust Board and Trust Finance Committee.
- The financial impact of future changes to funding levels from the Department for Education (DfE)/ESFA.
 - Managed through the CFO producing 3-year financial models which incorporate impacts of key funding uncertainties. Review and monitoring is undertaken by the CEO and Trust Finance Committee.
- MAT Growth - Rate of expansion is too great or too slow to ensure sustainability.
 - Controlled by continuous review of schools that could possibly join the Trust next. Liaison with Diocese to jointly manage priority for schools joining. Trust Board, CEO and COO maintain 3-year plans of minimum and maximum number of schools joining, with aligned finances and central function models.
- Trust Board delegates too much or too little to the Local Governing Committees (LGC) and/or the CEO/COO.
 - Managed by comprehensive programme of LGC work plans and Local Governor roles' descriptors, produced by CEO with external expertise. Controlled by review of advice from auditors and audit committee and review of training needs and providing training as required. Review is undertaken by the Risk and Audit Committee and informed by Audit Reports.
- Teacher recruitment and retention.
 - Managed through rigorous selection and appointment procedures combined with reviews of appropriate succession planning. Overseen by the CEO and Trust HR Committee with monitoring by Headteachers and Local Governing Committees.
- Staff absence may impact teaching and learning as well as compromise school resourcing.
 - Monitored by the Trust Operations Team, regular contact with Headteachers on staffing situation and overseen by CEO.
- Maintaining Building Compliance with Health, Safety and Fire risk assessment standards.
 - Managed through implementation of Smartlog central fire, health and safety compliance management software which provides the Trust Estates Team with the live status of compliance actions and evidence. Monitored by COO, CEO and Trust Risk and Audit Committee.
- Increased energy costs impact school budgets and reduce funding available for provision of teaching and learning.
 - Managed by planning for best energy deals and ensuring schools follow the MAT energy conservation guidelines.

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

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

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

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

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

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

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

The Trust does not work with any third party commercial participators or professional fundraisers to raise funds. There have been no fundraising complaints during 2021/2022.

Streamlined energy and carbon reporting

Energy consumption

Agregate of energy consumption in the year	kWh
	8,499,883

Emissions in metric CO2 equivalent (CO2e)

Scope 1 - direct emissions

- Gas combustion

1,049.89

- Fuel consumed for owned transport

21.28

1,071.17

Scope 2 - indirect emissions

- Electricity purchased

504.72

Scope 3 - other indirect emissions

- Fuel consumed for transport not owned by the academy trust

32.90

Total gross emissions

1,608.79

Intensity ratio

Tonnes CO2e per pupil

0.19

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The key priorities of the Trust in 2022/2023 are to:

- Ensure all our schools continue to strive for excellence
- Establish a timeline for further Trust expansion that balances scale opportunity vs risk
- Ensure that we continue to invest in building scale for growth whilst maintaining excellent service for all schools
- Ensure all schools have taken robust action following ongoing Teaching & Learning review
- Recruit, develop and retain good Governors in all our schools
- Continue to develop a Trust-wide IT strategy and centralise network management wherever possible
- Further centralise the management of finance, budgeting and control
- Ensure all schools come in the top 50% rankings for progress
- Provide outstanding central services for a partnership contribution which delivers excellent value for money
- Continue to improve and enhance the condition of school premises
- Seek out and develop opportunities for income growth across all schools, including ongoing development of wraparound care provision
- Further free up capacity for member schools by removing tasks which can be developed and delivered centrally
- Deliver outstanding pastoral care in all our schools and ensure that our schools are good or outstanding in the provisions of Section 48 of The Education Act 2005
- Submit bids for all funds possible
- Ensure our ongoing work on Equality, Diversity and Inclusion has a positive impact in all schools
- Ensure all schools are full
- Manage the conversion of new schools in a supportive, timely and efficient manner
- Maintain a high retention level of Xavier staff through a focus on wellbeing, workload reduction and career development

Funds held as custodian trustee on behalf of others

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

Auditor

In so far as the Directors are aware:

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

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

The Trustees' Report report, incorporating a strategic report, was approved by order of the Board of Directors as the company directors, on 15 December 2022 and signed on its behalf by:



Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Xavier Catholic Education Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

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

Directors	Meetings attended	Out of possible
Mrs S A Clark	6	6
Ms M P Dineen	6	6
Mr M J F Gliniecki	6	6
Mr M P Harrington	4	6
Mr P J O'Brien (Chair)	6	6
Mr J B Wells	6	6
Dr J Lydon (Resigned 22 September 2022)	6	6

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, James Kibble, the Trust's Deputy Chief Executive Officer, Tracey Fordyce, the Trust's Finance Director and Ceri Murray, the Trust's Chief Operating Officer.

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

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

Finance Committee

The finance committee is a subcommittee of the main board of trustees. Its purpose is to consider and advise the Board on all aspects of the Trust's finances, financial policies, controls and strategy and to ensure sound management of the Company's finances and resources, proper planning, monitoring, probity and value for money.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Attendance at meetings in the year was as follows:

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

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, Tracey Fordyce, the Trust's Finance Director and Ceri Murray, the Trust's Chief Operating Officer.

Risk and Audit Committee

The risk and audit committee is also a subcommittee of the main board of trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, and internal control framework, and report its findings to the Board of Directors as a critical element of the Company's annual reporting requirements.

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

Attendance at meetings in the period was as follows:

Directors	Meetings attended	Out of possible
Ms M P Dineen	3	3
Mr M J F Gliniecki (Chair)	3	3
Mr P J O'Brien	3	3
Dr J Lydon (Resigned 22 September 2022)	2	3

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, Tracey Fordyce, the Trust's Finance Director and Ceri Murray, the Trust's Chief Operating Officer.

Human Resources Committee

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

Attendance at meetings in the period was as follows:

Directors	Meetings attended	Out of possible
Mrs S Clark	2	2
Ms M P Dineen	2	2
Mr M P Harrington (Chair)	2	2
Dr J Lydon	1	2

Also in attendance was Ani Magill, the Trust's Chief Executive Officer, Tracey Fordyce, the Trust's Finance Director, Ceri Murray, the Trust's Chief Operating Officer and Nikki Shephard, the Trust's HR Manager.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Executive Remuneration Committee

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

Also in attendance was Ani Magill, the Trust's Chief Executive Officer for the first part of the meeting only.

Enterprises Committee

Newly formed committee for oversight of income generating activity at Xavier. This includes monitoring strategic development, financial oversight and risk assurance of Teach SouthEast (Initial Teacher Training), Xavier Teaching School Hub (DfE designated development provider) and income generating activities such as lettings and extended schools provision.

Directors	Meetings attended	Out of possible
Mrs S A Clark (Chair)	2	2
Ms M P Dineen	2	2
Mr M J F Gliniecki	2	2

Also in attendance was Ani Magill, the Trust's Chief Executive Officer, James Kibble, the Trust's Deputy CEO, Tracey Fordyce, the Trust's Finance Director, Ceri Murray, the Trust's Chief Operating Officer and Amy Harper, the Trust's Director of TSE and TSH.

Review of value for money

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

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

Centralised:

- Estates management
- Training and Best Practice forums
- Supplier Contracts, developed or in course of development for schools e.g. broadband, general building maintenance, fire alarm maintenance and grounds maintenance
- Policy Development
- Network Management
- HR Support
- SEN Support
- Pedagogy support
- Safeguarding support

Reviewing controls and managing risk

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

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Xavier Catholic Education Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Directors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

Buzzacott LLP were appointed as internal auditor from 1 September 2020 and were in place during the year ended 31 August 2022 performing the internal audit function.

The internal auditor's role includes giving advice on areas of weakness and areas to develop in the Trust. In particular the checks carried out in the current period included:

- MAT Scalability: develop a strategic approach to central provision in line with expansion plans
- Business Continuity: review of emergency contingency, assurance and operational effectiveness
- Purchase Ordering: review of processes, controls and effectiveness

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

Review of effectiveness

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

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

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Approved by order of the board of directors on 15 December 2022 and signed on its behalf by:



Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

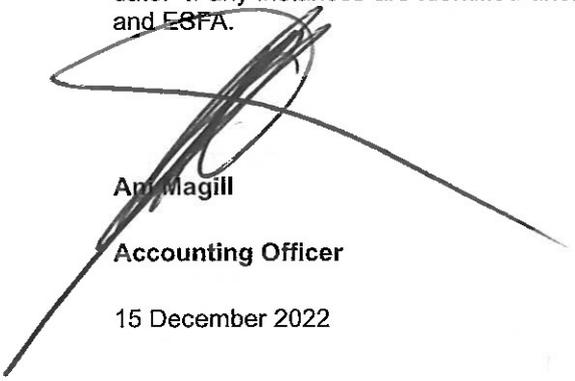
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Xavier Catholic Education Trust, I have considered my responsibility to notify the academy trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust Board of Directors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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



Ann Magill

Accounting Officer

15 December 2022

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Directors (who also act as trustees for Xavier Catholic Education Trust) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Directors on 15 December 2022 and signed on its behalf by:



Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Xavier Catholic Education Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the accounts

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Academy Trust.

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- The risk associated with non-disclosure of related party transactions is deemed a significant risk, due to the number of related parties which could be unknown to the management team and the scrutiny around related party transactions by the ESFA.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be Academies Accounts Direction, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the Academy Trust complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the Academy Trust and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed support received through the Coronavirus support schemes, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- confirmed monthly management accounts were reviewed by the board;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work, to include comparison with prior periods;
- agreed a sample of income received to supporting documentation and
- reviewed minutes of governors meetings and confirmed income sources mentioned were included correctly within the accounts.

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In response to the risk of irregularities with regards to non-disclosure of related parties we:

- completed analytical work, to include comparison with prior periods;
- obtained confirmation of material balances;
- agreed disclosures to source records, including approval; and
- reviewed minutes of governors meetings;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

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

Danielle Griffin

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

20 December 2022

Chartered Accountants
Statutory Auditor

Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 10 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Xavier Catholic Education Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Xavier Catholic Education Trust's funding agreement with the Secretary of State for Education dated 30 August 2016 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

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

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore (South) LLP

Reporting Accountant

Moore (South) LLP

Dated: 20 December 2022

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	985,404	675,734	2,035,881	3,697,019	4,131,935
Charitable activities:						
- Funding for educational operations	4	-	46,189,953	-	46,189,953	43,868,911
- Teaching Schools		-	1,618,295	-	1,618,295	1,336,507
Other trading activities	5	3,247,336	42,047	-	3,289,383	1,663,515
Investments	6	3,801	81	-	3,882	1,618
Total		4,236,541	48,526,110	2,035,881	54,798,532	51,002,486
Expenditure on:						
Charitable activities:						
- Grants	8	-	-	4,331,283	4,331,283	2,202,934
- Educational operations	9	3,855,738	49,921,329	845,292	54,622,359	48,570,211
- Teaching Schools		-	1,521,374	-	1,521,374	1,219,746
Charitable expenditure - transfer from local authority on conversion		-	-	-	-	192,542
Total	7	3,855,738	51,442,703	5,176,575	60,475,016	52,185,433
Net income/(expenditure)		380,803	(2,916,593)	(3,140,694)	(5,676,484)	(1,182,947)
Transfers between funds	21	(914,406)	(1,655,848)	2,570,254	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	20,499,000	-	20,499,000	(3,224,000)
Net movement in funds		(533,603)	15,926,559	(570,440)	14,822,516	(4,406,947)
Reconciliation of funds						
Total funds brought forward		4,253,806	(20,321,005)	3,151,696	(12,915,503)	(8,508,556)
Total funds carried forward		3,720,203	(4,394,446)	2,581,256	1,907,013	(12,915,503)

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information		Unrestricted funds	Restricted funds:		Total 2021
Year ended 31 August 2021			General	Fixed asset	
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	917,935	610,745	2,603,255	4,131,935
Charitable activities:					
- Funding for educational operations	4	-	43,868,911	-	43,868,911
- Teaching Schools		-	1,336,507	-	1,336,507
Other trading activities	5	1,620,025	43,490	-	1,663,515
Investments	6	1,592	26	-	1,618
Total		2,539,552	45,859,679	2,603,255	51,002,486
Expenditure on:					
Charitable activities:					
- Grants	8	-	-	2,202,934	2,202,934
- Educational operations	9	1,471,146	46,310,958	788,107	48,570,211
- Teaching Schools		-	1,219,746	-	1,219,746
Charitable expenditure - transfer from local authority on conversion		(11,595)	204,137	-	192,542
Total	7	1,459,551	47,734,841	2,991,041	52,185,433
Net income/(expenditure)		1,080,001	(1,875,162)	(387,786)	(1,182,947)
Transfers between funds	21	(161,454)	(557,258)	718,712	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	23	-	(3,224,000)	-	(3,224,000)
Net movement in funds		918,547	(5,656,420)	330,926	(4,406,947)
Reconciliation of funds					
Total funds brought forward		3,335,259	(14,664,585)	2,820,770	(8,508,556)
Total funds carried forward		4,253,806	(20,321,005)	3,151,696	(12,915,503)

XAVIER CATHOLIC EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	15		931,532		951,770
Current assets					
Stocks	16	14,894		11,691	
Debtors	17	2,592,682		1,569,161	
Cash at bank and in hand		10,456,619		12,198,668	
			<u>13,064,195</u>		<u>13,779,520</u>
Current liabilities					
Creditors: amounts falling due within one year	18	(5,368,108)		(4,241,544)	
Net current assets			<u>7,696,087</u>		<u>9,537,976</u>
Total assets less current liabilities			<u>8,627,619</u>		<u>10,489,746</u>
Creditors: amounts falling due after more than one year	19		(131,606)		(178,249)
Net assets before defined benefit pension scheme liability			<u>8,496,013</u>		<u>10,311,497</u>
Defined benefit pension scheme liability	23		(6,589,000)		(23,227,000)
Total net assets/(liabilities)			<u><u>1,907,013</u></u>		<u><u>(12,915,503)</u></u>
Funds of the academy trust:					
Restricted funds	21				
- Fixed asset funds			2,581,256		3,151,696
- Restricted income funds			2,194,554		2,905,995
- Pension reserve			(6,589,000)		(23,227,000)
Total restricted funds			<u>(1,813,190)</u>		<u>(17,169,309)</u>
Unrestricted income funds	21		<u>3,720,203</u>		<u>4,253,806</u>
Total funds			<u><u>1,907,013</u></u>		<u><u>(12,915,503)</u></u>

The accounts on pages 29 to 58 were approved by the Directors and authorised for issue on 15 December 2022 and are signed on their behalf by:

Mr P J O'Brien
Chair

Company registration number 10236797

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash used in operating activities	24	(3,735,169)		(807,402)	
Cash funds transferred on conversion		-		142,458	
		<u>(3,735,169)</u>		<u>(664,944)</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		3,882		1,618	
Capital grants from DfE Group		1,736,173		2,085,890	
Capital funding received from sponsors and others		299,708		445,900	
Purchase of tangible fixed assets		-		(26,295)	
		<u>2,039,763</u>		<u>2,507,113</u>	
Cash flows from financing activities					
Repayment of other loan		(46,643)		(46,643)	
		<u>(46,643)</u>		<u>(46,643)</u>	
Net (decrease)/increase in cash and cash equivalents in the reporting period					
		(1,742,049)		1,795,526	
Cash and cash equivalents at beginning of the year		12,198,668		10,403,142	
		<u>12,198,668</u>		<u>10,403,142</u>	
Cash and cash equivalents at end of the year					
		<u>10,456,619</u>		<u>12,198,668</u>	

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

Other income

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 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, trustees' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 over its expected useful life, as follows:

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

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

1.6 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 Leased assets

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

1.8 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.

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.

1.9 Stock

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

1.10 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.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

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

1.12 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 Directors.

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

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

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

1.13 Agency arrangements

The Trust is an accredited provider of a School Centred Initial Teacher Training (SCITT) programme and receives funding from the National College of Teaching and Learning (NCTL). The academy trust also acts as an agent in distributing SCITT bursary funds from the NCTL. Payments received from NCTL and subsequent disbursements to the student teachers are excluded from the financial activities as the trust does not have control over the charitable application of the funds. The trust cannot use any of the allocation towards its own administration costs. The funds received, paid and any balances held are disclosed in note 30.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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 2022 £	Total 2021 £
Donated fixed assets	-	-	-	71,465
Capital grants	-	1,736,173	1,736,173	2,093,390
Other donations	985,404	975,442	1,960,846	1,967,080
	<u>985,404</u>	<u>2,711,615</u>	<u>3,697,019</u>	<u>4,131,935</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	40,560,148	40,560,148	36,469,470
Other DfE/ESFA grants:				
- UIFSM	-	633,859	633,859	632,305
- Pupil premium	-	631,960	631,960	593,497
- Start up grants	-	-	-	25,000
- Teachers pay grant	-	68,630	68,630	574,134
- Teachers pension grant	-	200,294	200,294	1,355,611
- Maths hub	-	550,454	550,454	534,156
- Supplementary Grant	-	459,363	459,363	-
- Others	-	504,760	504,760	482,160
	-	43,609,468	43,609,468	40,666,333
Other government grants				
Local authority grants	-	1,484,374	1,484,374	1,422,457
Special educational projects	-	970,503	970,503	933,919
	-	2,454,877	2,454,877	2,356,376
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	578,344
Other DfE/ESFA COVID-19 funding	-	125,608	125,608	95,402
Non-DfE/ESFA				
Coronavirus job retention scheme grant	-	-	-	23,181
Other COVID-19 funding	-	-	-	149,275
	-	125,608	125,608	846,202
Teaching Schools income	-	1,618,295	1,618,295	1,336,507
Total funding	-	47,808,248	47,808,248	45,205,418

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	397,024	-	397,024	173,791
Catering income	393,556	-	393,556	270,829
Staff insurance income	-	42,047	42,047	43,490
Wraparound care	1,027,232	-	1,027,232	603,347
Fundraising	113,629	-	113,629	69,630
School trips income	1,193,355	-	1,193,355	363,661
Other income	122,540	-	122,540	138,767
	<u>3,247,336</u>	<u>42,047</u>	<u>3,289,383</u>	<u>1,663,515</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other investment income	<u>3,801</u>	<u>81</u>	<u>3,882</u>	<u>1,618</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2022 £	Total 2021 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	32,636,599	-	6,213,763	38,850,362	35,777,699
- Allocated support costs	9,692,602	3,981,965	2,097,430	15,771,997	14,996,946
Grants - support costs	-	4,331,283	-	4,331,283	-
Teaching Schools					
- Direct costs	742,458	-	27,944	770,402	513,808
- Allocated support costs	201,504	35	549,433	750,972	705,938
	<u>43,273,163</u>	<u>8,313,283</u>	<u>8,888,570</u>	<u>60,475,016</u>	<u>51,994,391</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	41,500	39,800
- Other services	20,500	19,575
- Taxation	575	550
Operating lease rentals	46,218	49,225
Depreciation of tangible fixed assets	20,238	30,513
Net interest on defined benefit pension liability	<u>411,000</u>	<u>312,000</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Analysis of grant expenditure

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Improvements to diocesan property occupied by the academy trust	-	4,331,283	4,331,283	2,202,934

In addition to ongoing spend maintaining the fabric and condition of its estate, the Trust invested £4.3m in significant capital projects in 21/22 (20/21 - £2.2m), £3.7m of the funding came from capital grants and £660k from donations. This was principally invested in 3 key projects, one at each secondary academy facilitating educational provision for their now fully expanded cohorts. At St John the Baptist, funds were invested in a new Art Block which added 4 additional teaching spaces meaning that the school could fulfil curriculum needs for all year groups. At Salesian, funds were invested in a Sports Hall and gym, allowing an expansion in the PE programme and at St Peter's there was an additional block built to house the rapidly expanding 6th form as students who joined the school when PAN was increased in 2017 reach Yr 12 and Yr 13.

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	3,336,113	35,514,249	38,850,362	35,777,699
Teaching Schools	-	770,402	770,402	513,808
Support costs				
Educational operations	519,625	19,583,655	20,103,280	14,995,446
Teaching Schools	-	750,972	750,972	705,938
	<u>3,855,738</u>	<u>56,619,278</u>	<u>60,475,016</u>	<u>51,992,891</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

(Continued)

Analysis of costs	Teaching Schools £	Educational operations £	Total 2022 £	Total 2021 £
Direct costs				
Teaching and educational support staff costs	745,167	32,944,990	33,690,157	32,139,185
Staff development	25,188	279,569	304,757	192,752
Technology costs	-	1,042,562	1,042,562	934,146
Educational supplies and services	47	1,029,156	1,029,203	811,168
Examination fees	-	461,363	461,363	311,741
Educational consultancy	-	570,013	570,013	391,662
Other direct costs	-	2,522,709	2,522,709	1,510,853
	770,402	38,850,362	39,620,764	36,291,507
Support costs				
Support staff costs	221,092	9,648,707	9,869,799	7,651,345
Depreciation	-	20,238	20,238	30,513
Technology costs	16,743	485,548	502,291	444,376
Maintenance of premises and equipment	35	6,476,829	6,476,864	4,054,812
Cleaning	-	637,814	637,814	590,512
Energy costs	-	702,917	702,917	506,099
Rent, rates and other occupancy costs	-	286,553	286,553	284,543
Insurance	-	159,372	159,372	145,832
Security and transport	-	29,525	29,525	32,343
Finance costs	-	411,000	411,000	312,000
Legal costs	-	21,016	21,016	24,090
Other support costs	508,523	1,149,664	1,658,187	1,533,190
Governance costs	4,579	74,097	78,676	91,729
	750,972	20,103,280	20,854,252	15,701,384

10 Governance costs

All from restricted funds:	Total 2022 £	Total 2021 £
Amounts included in support costs		
Legal costs	22,016	34,840
Auditor's remuneration		
- Audit of financial statements	41,500	39,800
- Other audit costs	21,075	20,125
Other governance costs	15,101	21,054
	99,692	115,819

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Staff

Staff costs

Staff costs during the year were:

	2022	2021
	£	£
Wages and salaries	30,122,296	28,376,477
Social security costs	2,927,160	2,633,690
Pension costs	10,155,830	8,378,431
	<u>43,205,286</u>	<u>39,388,598</u>
Staff costs - employees	43,205,286	39,388,598
Agency staff costs	41,509	54,640
Staff restructuring costs	13,486	9,669
	<u>43,260,281</u>	<u>39,452,907</u>
Staff development and other staff costs	604,432	530,375
	<u>43,864,713</u>	<u>39,983,282</u>
Total staff expenditure	<u>43,864,713</u>	<u>39,983,282</u>

Staff restructuring costs comprise:

Severance payments	<u>13,486</u>	<u>9,669</u>
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Severance payments

The academy trust paid 2 severance payments in the year, disclosed in the following bands:

0 - £25,000	2
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Staff numbers

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

	2022	2021
	Number	Number
Teachers	462	448
Administration and support	410	402
Management	19	23
	<u>891</u>	<u>873</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Staff

(Continued)

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

	2022 Number	2021 Number
Teachers	456	443
Administration and support	398	388
Management	19	23
	<u>873</u>	<u>854</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	16	13
£70,001 - £80,000	12	12
£80,001 - £90,000	5	3
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1
£140,001 - £150,000	1	1
	<u>1</u>	<u>1</u>

32 (2021 - 27) of the above employees participated in the Teachers Pension Scheme. During the period ended 31 August 2022, pension contributions for these staff amounted to £555,280 (2021 - £488,621).

Another 4 (2021 - 3) of the above employees participated in the Local Government Pension Scheme. During the period ended 31 August 2022, pension contributions for these staff amounted to £66,810 (2021 - £47,555).

Key management personnel

The key management personnel of the academy trust comprise the Directors and the senior management teams of the schools within the Trust. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £2,209,038 (2021 - £1,965,007).

12 Central services

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

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Central services

(Continued)

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

Each primary school in the Trust paid a partnership contribution equal to 4.5% (2021 - 4.5%) and each secondary school pays a partnership contribution, which is the higher of 2% or £160,000 (2021 - 2.5%, capped at £150,000) whichever is higher of their 2021 to 2022 school budget share (excluding rates) element of General Annual Grant (GAG) funding.

An additional charge is allocated to the schools utilising the central finance management provision based on a share of salary costs incurred by the trust in providing this service. In 2021-22 this was £21,200 for a 1 form entry and £26,500 for a 2 form entry primary school for a full year (2021 - £20,000 and £25,000).

The amounts charged during the year were as follows:

	2022	2021
	£	£
St Augustine's Catholic Primary School	80,507	73,660
St Alban's Catholic Primary School	72,042	60,075
St Anne's Catholic Primary School	105,314	72,906
St Charles Borromeo Catholic Primary and Nursery	40,960	38,674
Cardinal Newman Catholic Primary School	75,804	69,019
The Holy Family Catholic Primary School	43,219	40,109
St Hugh of Lincoln Primary School	60,351	37,219
Salesian School	185,891	160,000
St John the Baptist School	160,000	160,000
The Marist Catholic Primary School	104,938	71,984
St Cuthbert Mayne Catholic Primary School	59,946	-
St Thomas of Canterbury Catholic Primary School	79,035	55,164
St Polycarp's Catholic Primary School	105,159	53,459
St Peter's Catholic Secondary School	160,000	150,000
St Edmund's Catholic Primary School	39,777	-
Central Services	-	-
	<u>1,372,943</u>	<u>1,042,269</u>

13 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration (2021 - none).

During the year, no Trustees received any benefits in kind (2021 - none).

During the year ended 31 August 2022 £343 was paid to one trustee for travel (2021 - £nil).

14 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10 million on any one claim (2021 - £10 million) and the cost for the year ended 31 August 2022 was £159,372 (2021 - £145,831).

The cost of this insurance is included in the total insurance cost.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Tangible fixed assets

	Freehold property	Leasehold property	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2021	430,000	492,000	94,105	31,556	101,172	1,148,833
Disposals	-	-	(94,105)	-	-	(94,105)
At 31 August 2022	430,000	492,000	-	31,556	101,172	1,054,728
Depreciation						
At 1 September 2021	-	12,523	94,105	31,556	58,879	197,063
On disposals	-	-	(94,105)	-	-	(94,105)
Charge for the year	-	3,968	-	-	16,270	20,238
At 31 August 2022	-	16,491	-	31,556	75,149	123,196
Net book value						
At 31 August 2022	430,000	475,509	-	-	26,023	931,532
At 31 August 2021	430,000	479,477	-	-	42,293	951,770

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

The Diocese retain ownership and control of the schools' sites and so this does not meet the definition of a fixed asset.

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

The freehold land relates to land held at some of the schools within the Academy Trust. The valuation used is that provided by ESFA, an external valuer or Surrey County Council.

16 Stocks

	2022	2021
	£	£
School Uniforms	14,894	11,691

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Debtors	2022	2021
	£	£
Trade debtors	191,361	71,232
VAT recoverable	508,870	266,254
Prepayments and accrued income	1,892,451	1,231,675
	<u>2,592,682</u>	<u>1,569,161</u>
18 Creditors: amounts falling due within one year	2022	2021
	£	£
Other loans	46,643	46,643
Trade creditors	1,529,341	871,363
Other taxation and social security	725,022	663,969
Other creditors	795,721	769,002
Accruals and deferred income	2,271,381	1,890,567
	<u>5,368,108</u>	<u>4,241,544</u>
19 Creditors: amounts falling due after more than one year	2022	2021
	£	£
Other loans	131,606	178,249
	<u>131,606</u>	<u>178,249</u>
Analysis of loans	2022	2021
	£	£
Wholly repayable within five years	178,249	224,892
Less: included in current liabilities	(46,643)	(46,643)
	<u>131,606</u>	<u>178,249</u>
Amounts included above	<u>131,606</u>	<u>178,249</u>
Loan maturity		
Debt due in one year or less	46,643	46,643
Due in more than two years but not more than five years	131,606	178,249
	<u>178,249</u>	<u>224,892</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Creditors: amounts falling due after more than one year **(Continued)**

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

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

20 Deferred income	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	1,078,978	830,123
	<u> </u>	<u> </u>
Deferred income at 1 September 2021	830,123	1,125,797
Released from previous years	(830,123)	(1,125,797)
Resources deferred in the year	1,078,978	830,123
	<u> </u>	<u> </u>
Deferred income at 31 August 2022	1,078,978	830,123
	<u> </u>	<u> </u>

Deferred income is made up of the following balances

	2022	2021
	£	£
Letting income	-	1,849
Rates relief	112,726	72,319
Teaching school fees	47,200	18,800
Trip income	437,224	246,700
UIFSM	376,160	379,346
Maths Hub funding	11,210	65,457
Donations	14,135	-
16-19 Bursary	20,774	24,919
Wrap around care	47,016	18,499
Clubs income	12,533	337
Pupil premium	-	1,897
	<u> </u>	<u> </u>
	1,078,978	830,123
	<u> </u>	<u> </u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	352,713	40,560,148	(39,820,244)	(865,489)	227,128
Start up grants	(5,978)	-	-	5,978	-
UIFSM	113,764	633,859	(640,538)	(53,636)	53,449
Pupil premium	(5,014)	631,960	(626,946)	-	-
Catch-up premium	66,889	-	(66,889)	-	-
Other DfE/ESFA COVID-19 funding	-	125,608	(125,608)	-	-
Other DfE/ESFA grants	133,818	1,783,501	(1,876,196)	53,636	94,759
Other government grants	-	2,454,877	(2,454,877)	-	-
Teaching Schools	626,591	1,618,295	(1,521,374)	(264,606)	458,906
Governors' funds	1,622,646	664,421	(395,590)	(612,143)	1,279,334
Other income	-	53,441	(53,441)	80,412	80,412
Other grants	566	-	-	-	566
Pension reserve	(23,227,000)	-	(3,861,000)	20,499,000	(6,589,000)
	<u>(20,321,005)</u>	<u>48,526,110</u>	<u>(51,442,703)</u>	<u>18,843,152</u>	<u>(4,394,446)</u>
Restricted fixed asset funds					
Inherited on conversion	909,603	-	(3,968)	-	905,635
DfE group capital grants	2,084,558	1,736,173	(2,981,823)	-	838,908
Other Grants	60,265	-	(252,535)	192,270	-
Other fixed assets	42,294	-	(16,270)	-	26,024
Other income	54,976	299,708	(1,921,979)	2,377,984	810,689
	<u>3,151,696</u>	<u>2,035,881</u>	<u>(5,176,575)</u>	<u>2,570,254</u>	<u>2,581,256</u>
Total restricted funds	<u>(17,169,309)</u>	<u>50,561,991</u>	<u>(56,619,278)</u>	<u>21,413,406</u>	<u>(1,813,190)</u>
Unrestricted funds					
General funds	3,435,718	2,186,055	(1,786,016)	(916,240)	2,919,517
School funds	818,088	2,050,486	(2,069,722)	1,834	800,686
	<u>4,253,806</u>	<u>4,236,541</u>	<u>(3,855,738)</u>	<u>(914,406)</u>	<u>3,720,203</u>
Total funds	<u>(12,915,503)</u>	<u>54,798,532</u>	<u>(60,475,016)</u>	<u>20,499,000</u>	<u>1,907,013</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Funds

(Continued)

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

Designated Funds

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

Restricted Funds

- The *General Annual Grant (GAG)* represents the core funding for the educational activities of the schools that has been provided to the Trust via the Education and Skills Funding Agency (ESFA) by the Department of Education (DfE). The GAG fund has been set up because GAG must be used for normal running costs of the Trust.
- *Start-up grants* represent Academy Conversion Support grants and a Primary Academy Chain Development Grant. All the income received was fully expended during the year. Expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.
- *Other DfE/ESFA grants* includes Pupil Premium, Universal Infant Free School Meals, Maths Hub Funding, Sports Grant, MAT Development and Improvement Fund, Strategic School Improvement Fund and Supplementary Grant. The relevant restricted expenditure has been allocated through this fund.
- The *Teaching Schools fund* has been created to recognise the restricted funding received from the Department of Education to cover the operating costs associated with the running of the Teaching School and School Centred Initial Teacher Training (SCITT). This fund also included other income generated by the Trust towards Teaching Schools.
- The *Governors' fund* has been created to recognise donations received which are to be used for restricted purposes.
- The *Other grants fund* included grants received and expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.
- The *Pension reserve fund* has been created to separately identify the LGPS pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

Restricted Fixed Asset Funds

- The *Inherited fixed asset fund* has been set up to recognise the tangible assets gifted to the Trust upon conversion which represents freehold land, leasehold land and all material items of plant and machinery. Depreciation charged on inherited assets is allocated to this fund.
- The DfE group capital grants represent income received under the Schools Condition Allocation and Devolved Formula Capital for capital expenditure and maintenance of the Trusts school sites.
- *Other grants* include LCVAP funding for capital projects undertaken by the Trust that have been funded by LCVAP.
- *Other fixed assets fund* represents capital additions which are non-capital grant funded.
- *Other income* is donations received for a capital project.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	(133)	36,469,470	(36,116,624)	-	352,713
Start up grants	(5,317)	25,000	(25,661)	-	(5,978)
UIFSM	88,518	632,305	(607,059)	-	113,764
Pupil premium	(13,137)	593,497	(585,374)	-	(5,014)
Catch-up premium	-	578,344	(511,455)	-	66,889
Other DfE/ESFA COVID-19 funding	-	95,402	(95,402)	-	-
Coronavirus job retention scheme grant	-	23,181	(23,181)	-	-
Other Coronavirus funding	-	149,275	(149,275)	-	-
Other DfE/ESFA grants	241,885	2,946,061	(2,924,949)	(129,179)	133,818
Other government grants	-	2,356,376	(2,356,376)	-	-
Teaching Schools	509,830	1,336,507	(1,219,746)	-	626,591
Governors' funds	1,365,124	603,739	(251,217)	(95,000)	1,622,646
Other income	333,079	50,522	(50,522)	(333,079)	-
Other grants	566	-	-	-	566
Other restricted funds	-	130,863	(130,863)	-	-
Pension reserve	(17,185,000)	-	(2,818,000)	(3,224,000)	(23,227,000)
	<u>(14,664,585)</u>	<u>45,990,542</u>	<u>(47,865,704)</u>	<u>(3,781,258)</u>	<u>(20,321,005)</u>
Restricted fixed asset funds					
Inherited on conversion	923,724	-	(14,121)	-	909,603
DfE group capital grants	1,778,536	2,093,390	(1,787,368)	-	2,084,558
Other Grants	140,215	438,400	(492,055)	(26,295)	60,265
Other fixed assets	32,269	-	(16,270)	26,295	42,294
Other income	(53,974)	71,465	(681,227)	718,712	54,976
	<u>2,820,770</u>	<u>2,603,255</u>	<u>(2,991,041)</u>	<u>718,712</u>	<u>3,151,696</u>
Total restricted funds	<u>(11,843,815)</u>	<u>48,593,797</u>	<u>(50,856,745)</u>	<u>(3,062,546)</u>	<u>(17,169,309)</u>
Unrestricted funds					
General funds	2,573,265	1,497,436	(473,529)	(161,454)	3,435,718
School funds	761,994	1,042,116	(986,022)	-	818,088
	<u>3,335,259</u>	<u>2,539,552</u>	<u>(1,459,551)</u>	<u>(161,454)</u>	<u>4,253,806</u>
Total funds	<u>(8,508,556)</u>	<u>51,133,349</u>	<u>(52,316,296)</u>	<u>(3,224,000)</u>	<u>(12,915,503)</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Funds

(Continued)

Total funds analysis by academy

	2022	2021
	£	£
Fund balances at 31 August 2022 were allocated as follows:		
St Augustine's Catholic Primary School	348,768	261,518
St Alban's Catholic Primary School	440,282	393,660
St Anne's Catholic Primary School	514,130	520,177
St Charles Borromeo Catholic Primary and Nursery	344,240	312,426
Cardinal Newman Catholic Primary School	70,192	109,349
The Holy Family Catholic Primary School	138,897	115,898
St Hugh of Lincoln Primary School	248,050	285,443
Salesian School	1,238,607	2,414,289
St John the Baptist School	1,124,885	1,249,673
The Marist Catholic Primary School	121,285	96,807
St Cuthbert Mayne Catholic Primary School	57,141	24,313
St Thomas of Canterbury Catholic Primary School	64,955	56,953
St Polycarp's Catholic Primary School	294,008	231,250
St Peter's Catholic Secondary School	319,043	490,033
St Edmund's Catholic Primary School	173,849	183,239
Central Services	416,425	414,773
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	5,914,757	7,159,801
Restricted fixed asset fund	2,581,256	3,151,696
Pension reserve	(6,589,000)	(23,227,000)
	<hr/>	<hr/>
Total funds	1,907,013	(12,915,503)
	<hr/> <hr/>	<hr/> <hr/>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£	£	£	£	£	£
St Augustine's Catholic Primary School	1,299,439	189,555	172,603	334,683	1,996,280	1,863,841
St Alban's Catholic Primary School	1,239,811	272,910	150,736	381,661	2,045,118	1,947,880
St Anne's Catholic Primary School	1,401,258	194,193	101,185	466,189	2,162,825	1,864,023
St Charles Borromeo Catholic Primary and Nursery	935,611	144,510	83,726	173,321	1,337,168	1,259,295
Cardinal Newman Catholic Primary School	1,389,482	193,820	153,076	340,123	2,076,501	1,901,432
The Holy Family Catholic Primary School	768,089	136,668	73,165	149,018	1,126,940	1,053,112
St Hugh of Lincoln Primary School	714,970	85,540	86,756	224,246	1,111,512	1,016,755
Salesian School	7,250,413	1,291,897	1,471,196	4,327,880	14,341,386	12,075,271
St John the Baptist School	6,428,375	1,152,180	841,687	1,526,895	9,949,137	9,617,140
The Marist Catholic Primary School	1,423,648	266,013	115,586	327,740	2,132,987	2,086,198
St Cuthbert Mayne Catholic Primary School	643,014	94,683	68,662	206,675	1,013,034	970,533
St Thomas of Canterbury Catholic Primary School	1,551,061	233,269	79,860	317,606	2,181,796	2,087,598
St Polycarp's Catholic Primary School	1,377,271	165,821	113,642	343,069	1,999,803	1,971,142
St Peter's Catholic Secondary School	5,385,358	621,633	752,504	1,212,568	7,972,063	7,065,553
St Edmund's Catholic Primary School	757,426	117,020	100,620	149,599	1,124,665	304,664
Central Services	1,182,895	902,449	155,895	1,780,656	4,021,895	2,252,478
	<u>33,748,121</u>	<u>6,062,161</u>	<u>4,520,899</u>	<u>12,261,929</u>	<u>56,593,110</u>	<u>49,336,915</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

22 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	931,532	931,532
Current assets	4,277,072	7,137,399	1,649,724	13,064,195
Current liabilities	(515,263)	(4,852,845)	-	(5,368,108)
Non-current liabilities	(41,606)	(90,000)	-	(131,606)
Pension scheme liability	-	(6,589,000)	-	(6,589,000)
Total net assets	3,720,203	(4,394,446)	2,581,256	1,907,013

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	951,770	951,770
Current assets	4,579,102	7,000,492	2,199,926	13,779,520
Current liabilities	(267,047)	(3,974,497)	-	(4,241,544)
Non-current liabilities	(58,249)	(120,000)	-	(178,249)
Pension scheme liability	-	(23,227,000)	-	(23,227,000)
Total net assets	4,253,806	(20,321,005)	3,151,696	(12,915,503)

23 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £773,005 were payable to the schemes at 31 August 2022 (2021 - £647,173) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt out of the TPS following enrolment.

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

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £4,820,224 (2021 - £4,542,851).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.6% for employers and between 5.5% and 9.9% for employees. The estimated value of employer contributions for the forthcoming year is £1,863,000.

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

Total contributions made	2022 £	2021 £
Employer's contributions	1,855,000	1,724,000
Employees' contributions	549,000	516,000
Total contributions	<u>2,404,000</u>	<u>2,240,000</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations (Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.95	3.80
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
Retiring today		
- Males	22.1	22.3
- Females	24.5	24.7
Retiring in 20 years		
- Males	23.1	23.4
- Females	26.2	26.4

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

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

Change in assumptions at 31 August 2022:	Approximate increase to Employers Liability	% Approximate monetary amount (£'000)
0.1% decrease in real discount rate	2%	668
1 year increase in member life expectancy	4%	1,214
0.1% increase in the Salary Increase Rate	0%	42
0.1% increase in Pension Increase Rate	2%	633

The academy trust's share of the assets in the scheme	2022 Fair value £	2021 Fair value £
Equities	18,058,360	17,121,750
Bonds	3,326,540	3,652,640
Property	1,900,880	1,598,030
Other assets	475,220	456,580
Total market value of assets	23,761,000	22,829,000

The actual return on scheme assets was £(1,180,000) (2021: £3,958,000).

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations	(Continued)	
Amount recognised in the Statement of Financial Activities	2022	2021
	£	£
Current service cost	5,305,000	3,895,000
Interest income	(394,000)	(299,000)
Interest cost	805,000	611,000
	<u>5,716,000</u>	<u>4,207,000</u>
Changes in the present value of defined benefit obligations		2022
		£
At 1 September 2021		46,056,000
Current service cost		5,305,000
Interest cost		805,000
Employee contributions		549,000
Actuarial (gain)/loss		(22,073,000)
Benefits paid		(292,000)
		<u>30,350,000</u>
At 31 August 2022		<u>30,350,000</u>
Changes in the fair value of the academy trust's share of scheme assets		2022
		£
At 1 September 2021		22,829,000
Interest income		394,000
Actuarial loss/(gain)		(1,574,000)
Employer contributions		1,855,000
Employee contributions		549,000
Benefits paid		(292,000)
		<u>23,761,000</u>
At 31 August 2022		<u>23,761,000</u>
Net deficit at 31 August		<u>6,589,000</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Reconciliation of net expenditure to net cash flow from operating activities	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)	(5,676,484)	(1,182,947)
Adjusted for:		
Net deficit on conversion to academy	-	192,542
Capital grants from DfE and other capital income	(2,035,881)	(2,531,790)
Investment income receivable	(3,882)	(1,618)
Defined benefit pension costs less contributions payable	3,450,000	2,171,000
Defined benefit pension scheme finance cost	411,000	312,000
Depreciation of tangible fixed assets	20,238	30,514
(Increase)/decrease in stocks	(3,203)	469
(Increase)/decrease in debtors	(1,023,521)	239,888
Increase/(decrease) in creditors	1,126,564	(37,460)
Net cash used in operating activities	(3,735,169)	(807,402)

25 Analysis of changes in net funds	1 September 2021 £	Cash flows £	Other non- cash changes £	31 August 2022 £
Cash	12,198,668	(1,742,049)	-	10,456,619
Loans falling due within one year	(46,643)	46,643	(46,643)	(46,643)
Loans falling due after more than one year	(178,249)	-	46,643	(131,606)
	<u>11,973,776</u>	<u>(1,695,406)</u>	<u>-</u>	<u>10,278,370</u>

26 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	64,511	54,622
Amounts due in two and five years	69,928	85,390
	<u>134,439</u>	<u>140,012</u>

27 Capital commitments

At 31 August 2022 there was a capital commitment of £775,480 (2021 - £936,760) for extension to buildings.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

28 Related party transactions

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

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

Religious Education courses and a school Chaplaincy course were provided by the Diocese of Arundel & Brighton to a number of schools within the Trust. The total paid to the Diocese in the year in respect of these courses was £195 (2021 - £760). The services were procured in accordance with the Trust procurement policy.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2021.

29 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.

30 Agency arrangements

The academy distributes SCITT bursary funds to student teachers as an agent for the Teaching Regulation Agency. During the accounting period ending 31 August 2022 the trust received £650,460 (2021 - £1,168,800) and disbursed £650,460 (2021 - £1,166,800).