

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 2023**

XAVIER CATHOLIC EDUCATION TRUST

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XAVIER CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- Bishop of Arundel and Brighton	The Right Reverend Charles Philip Richard Moth
- Chair of Academies Partnership Committee	Joseph Peter Davies
- Vice General and Chancellor	Canon Jonathan Martin
- Trustee of Arundel and Brighton Diocese	Patrick Burgess
- Arundel, Brighton Roman Catholic Diocesan Corporation	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)
Ani Magill (from 22 November 2023)
Gregory Melly (from 18 January 2023)

Key management personnel

- Chief Executive Officer (CEO)	Ani Magill (until 31 August 2023)
- Deputy CEO	James Kibble (until 31 August 2023, then CEO)
- Finance Director	Tracey Fordyce (until 27 January 2023)
- Chief Financial and Operations Officer (CFOO)	Ceri Murray

Clerk to Governors

Anne Robinson

Company registration number

10236797 (England and Wales)

Principal and registered office

Salesian School
Guildford Road
Chertsey
Surrey
KT16 9LU

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

XAVIER CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Moore (South) LLP
Suite 3, Second Floor
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DG

Bankers

Lloyds Bank Plc
32 Commercial Way
Woking
Surrey
GU21 6ER

Solicitors

Winckworth Sherwood LLP
Arbor
255 Blackfriars Road
London
SE1 9AX

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, a directors' report and strategic 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 8,687 in the school census on October 2023.

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 2023

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 2023

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 2023 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 2023

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 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 2023

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.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Objects and aims

Our mission is to provide an outstanding Catholic education for all the children in our schools and exceptional training for teachers at all stages of their career.

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 and member of staff in our care.

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

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

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

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

As a Trust, we commit that:

1. Every child will receive an excellent education
2. We will recruit, develop and retain the best people
3. We will support our schools by providing exceptional central services
4. Our Catholicity is at the core of everything we do
5. We are financially robust and provide value for money
6. We will provide exceptional service for other schools via the Teaching School Hub and Teach South East

Service is one of our core values and in accepting the mantle of leadership we recognise that our mission is to serve. In practical terms, we serve our schools in the following ways:

• **Catholic Ethos**

We are focussed on doing things for the greater good and as a Catholic Trust it is vitally important that the distinctive ethos of each school is strong and integral to all aspects of that school's life

• **Professional Development**

We support the professional development of every member of staff through mentoring, coaching, role-specific training, Trust-wide In service Education and Training (INSET) and through the Teach South East School Centred Initial Teacher Training (SCITT) and the Xavier Teaching School Hub.

• **Curriculum**

We have subject leaders for each curriculum that are school based but work with the central team to continually review, develop, and share curriculum resources. Where schools ask for it, we create a Xavier Curriculum for certain subjects which schools are free to use or adapt if they wish.

• **Learning & Teaching**

An evidence-based approach to continually improving learning and teaching in all our schools is key to our ongoing success.

• **School Improvement**

The Trust works with each of our schools on a regular and systematic basis on agreed improvement plans and are available to support with high priority tailored improvement projects with individual schools, including preparation for Office of Standards in Education (Ofsted).

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- **Governance**
We offer a range of services to our Local Governing Committees to ensure that they can provide effective strategic leadership, secure accountability and remain compliant with company and charity law.
- **Finance**
All schools are supported by our central finance team through a range of financial and commercial services that secure value for money, effective financial management and secure financial probity and compliance with ESFA regulations.
- **Estates Management**
Our team manage all aspects of capital projects and condition work, they support premises managers and caretakers with facilities management and help schools to ensure they are compliant with Health & Safety regulations.
- **IT**
Central IT procurement ensures value for money and high quality and our shared security network gives schools peace of mind when it comes to cyber security.
- **Human Resources**
We are committed to reducing workload and workforce reform and we work creatively with schools to realise these aims.
- **Inclusion**
Our inclusion team draw on a wide set of skills and experience to ensure that every child in the trust is afforded the best possible opportunity to succeed. We are also blessed to have a highly experienced Safeguarding Compliance Director who audits each school on a regular basis, supports Heads and Designated Safeguarding Leads with issues that arise and provides training for a range of stakeholders.
- **Networks**
We hold regular network meetings for a whole range of staff, leaders and governors. These networks were originally set up with a view to sharing best practice and providing collegiate support. However, in the best traditions of social enterprise, they have in many cases become so much more.
- **Securing the future of Catholic Education for future generations**
Xavler is committed to expansion, in line with the Diocesan vision for Catholic education in our Diocese, which will ensure that schools convert smoothly and advantageously to academy status. Our remit is to ensure all children in our Deanery can benefit from an exceptional Xavier education rooted in Catholic values by 2030.

Public benefit

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

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

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

- Xavier was awarded Sponsor Trust designation by the DfE, recognising our exceptional track record in school improvement and high-quality provision offered to schools in need. St Peter's Catholic School in Guildford was awarded Post 16 Capacity Funding to grow their award winning 6th form provision, meaning they will expand by 36 places in Sept 2024.
- Academy orders were granted to 2 Diocesan Primary schools who are in the process of converting, taking us to 17 schools and 2 further schools began their application process and hope to convert by Aug 2024.
- The Trust successfully changed Management Information System (MIS) provider in Sept 2022, adopting Arbor which has represented a significant step forward in central collation and accessibility of data. It has also streamlined reporting workflow for Primary schools, reducing workload for teaching staff and administrators.
- Xavier Teach South East was judged 'Outstanding' in the latest Ofsted inspection against the Initial Teacher Education (ITE) framework (February 2023). 100% of trainees who were on roll in the final term completed and passed the year, gaining Qualified Teacher Status with 85% being employed within the partnership. Following on from their successful reaccreditation as an Initial Teacher Training (ITT) provider, six newly established regional ITT hubs (Surrey, Sussex, London and the South Midlands) have recruited 148 trainees, across primary and secondary, who will begin their training from September.
- In partnership with Teach First, the Early Career Framework programme delivered by Xavier Teaching School Hub, was judged as 'Outstanding' by Ofsted in the first inspection of this programme. 406 Early Career Teachers completed the two-year Early Career Framework Induction programme and a further 427 transitioned onto the second year of the programme for this September. 68% schools (188 schools) have engaged with the Xavier Teaching School Hub over the year with 68% of Primary schools within the region engaging and 86% of secondary schools.
- The relationship with STSN (School Together, Success Now) and Surrey South Farnham Teaching School Hub, to deliver the NPQs goes from strength to strength, with 1004 colleagues completing one of the eight NPQs since the start of the Teaching School Hub designation.

Key performance indicators

Xavier schools enjoyed another highly successful year academically, particularly in the secondaries which all registered in the top 3% of institutions measuring Progress 8 and St Peter's ranked number 10 nationally of all schools.

GCSE	Salesian		SJB		St. Peter's	
	2023	2022	2023	2022	2023	2022
9-7	46%	54%	43%	46%	55%	58%
5 strong passes inc Eng & Ma	71%	89%	76%	85%	77%	90%
5 standard passes inc Eng & Ma	88%	95%	88%	92%	88%	96%
Progress 8	0.79	0.74	0.85	0.95	1.46	1.32
A' Level	Salesian		SJB		St. Peter's	
	2023	2022	2023	2022	2023	2022
A*-A	42%	40%	36%	46%	45%	63%
A*-B	73%	72%	66%	74%	73%	87%
A*-C	90%	91%	89%	93%	90%	99%

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Xavier primary schools continue to significantly surpass national performance across all categories and 5 schools recorded year on year increases across all categories.

School	Subjects	Expected 2022	Expected 2023	School	Subjects	Expected 2022	Expected 2023
National	Maths	71%	73%	National	Maths	71%	73%
	Reading	74%	73%		Reading	74%	73%
	Writing	69%	71%		Writing	69%	71%
Cardinal Newman	Maths	93%	96%	St Anne's	Maths	82%	80%
	Reading	81%	93%		Reading	78%	81%
	Writing	88%	91%		Writing	75%	81%
St Thomas of Canterbury	Maths	89%	86%	St Cuthbert Mayne	Maths	84%	97%
	Reading	84%	86%		Reading	87%	97%
	Writing	77%	74%		Writing	87%	94%
St Augustine's	Maths	94%	95%	St Alban's	Maths	96%	98%
	Reading	88%	86%		Reading	96%	90%
	Writing	72%	81%		Writing	94%	94%
St Charles Borromeo	Maths	97%	100%	The Marist	Maths	80%	90%
	Reading	97%	90%		Reading	80%	87%
	Writing	90%	93%		Writing	81%	90%
St Edmund's	Maths	90%	90%	Holy-Family	Maths	87%	97%
	Reading	93%	90%		Reading	80%	87%
	Writing	80%	80%		Writing	93%	88%
St Hugh of Lincoln	Maths	97%	100%	St Polycarp's	Maths	89%	95%
	Reading	87%	100%		Reading	89%	86%
	Writing	87%	93%		Writing	90%	79%

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.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 8 to 9 provides information in this regard, together with the Trustees analysis of the Principal risk and uncertainties (page 14).
2. The interests of employees – the Trustees have reported on trade union facility time (page 5), how the Trust has engaged with employees and its equal opportunities commitment (page 6).
3. Need to foster the business relationships with suppliers and others – please see page 7.
4. Impact of operations on the community and the environment – please see page 15 in particular but also the Trust's objectives and Activities on pages 8 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.

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purpose. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2023, total expenditure of £60,507,391 (2022: £60,475,016) was met by recurrent grant funding from the ESFA together with other incoming resources and utilisation of brought forward reserves.

The Trust received £1,934,618 in capital funding (School Condition Allocation) from the ESFA on a formula basis (2022: £1,555,926).

The Trust incurred a deficit of £564,056 (2022 – £2,535,790) for the year (excluding Restricted Fixed Asset Funds) and before the transfer of £403,887 (2022 - £2,570,254) to the Restricted Fixed Asset Fund, giving a total deficit of £967,943 (2022 - £5,106,044). The prior year reflected a higher level of capital investment in site improvements following a 3-year saving programme.

As at 31 August 2023, the Trust had total funds of £5,109,095 (2022: £1,907,013). This was comprised of £1,888,010 (2022 - £2,194,554) of Restricted general funds, excluding the pension deficit fund of £3,458,000 (2022: £6,589,000), Restricted Fixed Asset Fund £2,618,281 (2022: £2,581,256) and £4,060,804 (2022: £3,720,203) of unrestricted general funds.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 2023, restricted funds amounted to £4,506,291 (2022: £4,775,810).

As at 31 August 2023, unrestricted funds amounted to £4,060,804 (2022: £3,720,203). 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 £3,458,000 (see note 23 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 2023

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. CEO and CFOO working with schools to look at marketing and school accessibility. CFOO 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 and salary costs from the DfE/ESFA.
 - Managed through the CFOO 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 CFOO 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/CFOO.
 - Managed by comprehensive programme of Local Governing Committee workplans, role descriptors, training schedule and revised delegated responsibilities. 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.
- Initial Teacher Trainee shortages, the DFE targets for trainee recruitment have been consistently missed, especially in science, technology, maths and MFL.
 - TSE recruitment strategy in place covering increased marketing around the benefits of teaching as a career and comprehensive retention planning. Scaling plans in place to support efficient use of resource in TSE as it develops.
- 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.
- Inherent risk in the quality and safety of the Estate
 - Ongoing investment to ensure well maintained core fabric and condition of the estate using school condition allocation funds, informed by regular condition surveying.
 - Significant investment in specialist surveys to establish if any Reinforced Autoclaved Aerated Concrete (RAAC) existed in Xavier estate. None found. The extensive survey and comprehensive report found no RAAC in any Xavier schools.
- Maintaining building compliance with Health, Safety and Fire risk assessment standards.
 - Managed through implementation of Sypro 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 CFOO, CEO and Trust Risk and Audit Committee.
- The Trustees ensures the highest standards are maintained with regard to Safeguarding through regular reporting from and Board contact with the Safeguarding Compliance Director.
- All staff receive training to keep them up to date with cyber security, particularly around financial fraud risks

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 aim.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 2022/23.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period

	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
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Energy consumption used to calculate emissions (kWh)	7,281,350	8,499,883
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Scope 1 emissions in metric tonnes CO2e

Gas consumption	872.16	1,049.89
Owned transport - mini-buses	19.81	21.28
<u>Total scope 1</u>	891.97	1,071.17

Scope 2 emissions in metric tonnes CO2e

Purchased electricity	488.95	504.72
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Scope 3 emissions in metric tonnes CO2e

Business travel in employee owned vehicles	35.03	32.90
<u>Total gross emissions in metric tonnes CO2e</u>	1,415.95	1,608.79

Intensity ratio

Tonnes CO2e per pupil	0.16	0.19
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Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity Management

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 efficiency

Funding received for energy efficiency utilised across our schools for example switching to LED lighting. Encouraging behavioural change and prompting staff and students to switch off devices, equipment and lights when not in use.

XAVIER CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

The key priorities of the Trust in 2023/24 are to:

- Ensure all our schools continue to strive for excellence.
- Progress further Trust expansion, balance upscale 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.
- Develop Catholic ethos support for schools from Central team.

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 2023 and signed on its behalf by:


Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

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 Trust ensures that all Directors, governors and staff are fully briefed regarding the potential for and risks around conflicts of interest. All relevant personal direct and indirect pecuniary interests are registered and made publicly available. At the start of any meeting of the Directors or governors, attendees are required to declare any interests and if the outcomes of any meeting could have a direct pecuniary effect on an attendee, they would withdraw from the relevant portion of the meeting.

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	5	6
Mr M J F Gliniecki	5	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)	0	0
G Melly (Appointed 18 January 2023)	2	4
A Magill (Appointed 22 November 2023)	0	0

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 (until 20 January 2023) and Ceri Murray, the Trust's Chief Financial and Operations 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 (LGC) and managing growth.

The Board regularly reviews its structure and the strategic plan. It also has an annual review to self assess performance, to ensure it remains appropriate and meaningful, and how to stay best informed about the challenges that may be faced. Following the most recent independent external review of Trust and Local governance feedback sought from LGC's, there has been a revised delegation of responsibility and training programme introduced. The impact of this is due for review in FY 23/24.

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 2023

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
Mrs S A Clark	6	7
Ms M P Dineen	6	7
Mr M J F Gliniecki	6	7
Mr P J O'Brien	7	7
Mr J B Wells (Chair)	7	7

Also in attendance were Ani Magill, the Trust's Chief Executive Officer, James Kibble, the Trust's Deputy Chief Executive Officer and Ceri Murray, the Trust's Chief Financial and Operations Officer. Tracey Fordyce, the Trust's Finance Director was in attendance until 20 January 2023.

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

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 until 20 January 2023 and Ceri Murray, the Trust's Chief Financial and Operations 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	3	3
Ms M P Dineen	3	3
Mr M P Harrington (Chair)	3	3

Also in attendance was Ani Magill, the Trust's Chief Executive Officer, Ceri Murray, the Trust's Chief Financial and Operations Officer and Nikki Shephard, the Trust's HR Director.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Executive Remuneration Committee

Directors	Meetings attended	Out of possible
Mrs S A Clerk	1	1
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

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, Ceri Murray, the Trust's Chief Financial and Operations Officer and Amy Harper, the Trust's Director of TSE and TSH.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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:

- Continued centralisation of finance management
- Training and Best Practice forums
- Supplier Contracts, developed or in course of development for schools e.g. systems updates, 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.

Proactive development of the Trust estate

- Continued investment in condition of the estate to mitigate emergency works at point of core fabric failure.
- Introduction of centralised facilities managers to ensure best practice for compliance and safety adopted in all schools
- Introduction of Sypro system to further develop compliance tracking in schools
- Programme of masterplans introduced to ensure short, medium and long term objectives set for each school site, enabling effective financial planning for capital investment.
- Extensive surveys to ensure complete oversight of estate safety with regard to Reinforced Aerated Autoclaved Concrete (RAAC).

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 2022 to 31 August 2023 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 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Directors.

XAVIER CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 2023 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:

- Fund Accounting
- Budgeting and Financial Planning
- Income Controls

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

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

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 2023 and signed on its behalf by:


Mr P J O'Brien
Chair

XAVIER CATHOLIC EDUCATION TRUST

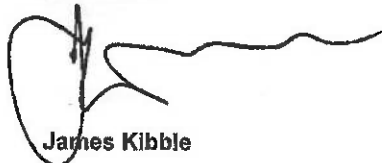
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

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, including for estates safety and management, 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 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of directors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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.



James Kibble

Accounting Officer

15 December 2023

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 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 2022 to 2023;
- 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 2023 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 2023

Opinion

We have audited the accounts of Xavier Catholic Education Trust for the year ended 31 August 2023 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 2022 to 2023 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 2023 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 2022 to 2023.

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 2023

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 2023

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.

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.

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.

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

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

18 DECEMBER 2023

Chartered Accountants
Statutory Auditor

Suite 3, Second Floor
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DG

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 2023

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 2022 to 2023, 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 2022 to 31 August 2023 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 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2023

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 2022 to 31 August 2023 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: 18 DECEMBER 2023

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	1,073,217	727,348	2,197,185	3,997,750	3,697,019
Charitable activities:						
- Funding for educational operations	4	-	49,762,693	-	49,762,693	46,189,953
- Teaching Schools		-	1,563,117	-	1,563,117	1,618,295
Other trading activities	5	4,176,412	69,671	-	4,246,083	3,289,383
Investments	6	6,771	59	-	6,830	3,882
Total		5,256,400	52,122,888	2,197,185	59,576,473	54,798,532
Expenditure on:						
Charitable activities:						
- Grants	9	-	1,776,942	-	1,776,942	4,331,283
- Educational operations	10	4,250,591	50,260,372	2,564,047	57,075,010	54,622,359
- Teaching Schools		-	1,655,439	-	1,655,439	1,521,374
Total	7	4,250,591	53,692,753	2,564,047	60,507,391	60,475,016
Net income/(expenditure)		1,005,809	(1,569,865)	(366,862)	(930,918)	(5,676,484)
Transfers between funds	21	(665,208)	261,321	403,887	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	23	-	4,133,000	-	4,133,000	20,499,000
Net movement in funds		340,601	2,824,456	37,025	3,202,082	14,822,516
Reconciliation of funds						
Total funds brought forward		3,720,203	(4,394,446)	2,581,256	1,907,013	(12,915,503)
Total funds carried forward		4,060,804	(1,569,990)	2,618,281	5,109,095	1,907,013

XAVIER CATHOLIC EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	985,404	675,734	2,035,881	3,697,019
Charitable activities:					
- Funding for educational operations	4	-	46,189,953	-	46,189,953
- Teaching Schools		-	1,618,295	-	1,618,295
Other trading activities	5	3,247,336	42,047	-	3,289,383
Investments	6	3,801	81	-	3,882
Total		4,236,541	48,526,110	2,035,881	54,798,532
Expenditure on:					
Charitable activities:					
- Grants	9	-	-	4,331,283	4,331,283
- Educational operations	10	3,855,738	49,921,329	845,292	54,622,359
- Teaching Schools		-	1,521,374	-	1,521,374
Total	7	3,855,738	51,442,703	5,176,575	60,475,016
Net income/(expenditure)		380,803	(2,916,593)	(3,140,694)	(5,676,484)
Transfers between funds	21	(914,406)	(1,655,848)	2,570,254	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	23	-	20,499,000	-	20,499,000
Net movement in funds		(533,603)	15,926,559	(570,440)	14,822,516
Reconciliation of funds					
Total funds brought forward		4,253,806	(20,321,005)	3,151,696	(12,915,503)
Total funds carried forward		3,720,203	(4,394,446)	2,581,256	1,907,013

XAVIER CATHOLIC EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15		961,166		931,532
Current assets					
Stock	16	7,481		14,894	
Debtors	17	2,645,300		2,592,682	
Cash at bank and in hand		10,337,855		10,456,619	
			12,990,636		13,064,195
Current liabilities					
Creditors: amounts falling due within one year	18	(5,299,744)		(5,368,108)	
Net current assets			7,690,892		7,696,087
Total assets less current liabilities			8,652,058		8,627,619
Creditors: amounts falling due after more than one year	19		(84,963)		(131,606)
Net assets excluding pension liability			8,567,095		8,496,013
Defined benefit pension _scheme liability	23		(3,458,000)		(6,589,000)
Total net assets			5,109,095		1,907,013
Funds of the academy trust:					
Restricted funds	21				
- Fixed asset funds			2,618,281		2,581,256
- Restricted income funds			1,888,010		2,194,554
- Pension reserve			(3,458,000)		(6,589,000)
Total restricted funds			1,048,291		(1,813,190)
Unrestricted income funds	21		4,060,804		3,720,203
Total funds			5,109,095		1,907,013

The accounts on pages 30 to 60 were approved by the Directors and authorised for issue on 15 December 2023 and are signed on their behalf by:


 Mr P J O'Brien
 Chair

Company registration number 10236797 (England and Wales)

XAVIER CATHOLIC EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash used in operating activities	24		(2,226,233)		(3,735,169)
Cash flows from investing activities					
Dividends, interest and rents from investments		6,830		3,882	
Capital grants from DIE Group		2,141,116		1,736,173	
Capital funding received from sponsors and others		56,069		299,708	
Purchase of tangible fixed assets		(49,903)		-	
Net cash provided by investing activities			2,154,112		2,039,763
Cash flows from financing activities					
Repayment of other loan		(46,643)		(46,643)	
Net cash used in financing activities			(46,643)		(46,643)
Net decrease in cash and cash equivalents in the reporting period			(118,764)		(1,742,049)
Cash and cash equivalents at beginning of the year			10,456,619		12,198,668
Cash and cash equivalents at end of the year			<u>10,337,855</u>		<u>10,456,619</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 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 2023

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 2023

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
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 2023

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 2023

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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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 2023 £	Total 2022 £
Capital grants	-	2,141,116	2,141,116	1,736,173
Other donations	1,073,217	783,417	1,856,634	1,960,846
	<u>1,073,217</u>	<u>2,924,533</u>	<u>3,997,750</u>	<u>3,697,019</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's charitable activities

Educational operations	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	42,471,499	42,471,499	40,560,148
Other DfE/ESFA grants:				
- UIFSM	-	669,963	669,963	633,859
- Pupil premium	-	699,635	699,635	631,960
- Start up grants	-	50,000	50,000	-
- Mainstream Schools Additional Funding	-	553,666	553,666	-
- Teachers pension grant	-	139,105	139,105	200,294
- Maths hub	-	603,134	603,134	550,454
- Supplementary Grant	-	1,159,179	1,159,179	527,993
- Others	-	1,121,024	1,121,024	504,760
	-	47,467,205	47,467,205	43,609,468
Other government grants				
Local authority grants	-	1,507,820	1,507,820	1,484,374
Special educational projects	-	659,730	659,730	970,503
	-	2,167,550	2,167,550	2,454,877
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	127,938	127,938	125,608
Total funding for educational operations	-	49,762,693	49,762,693	46,189,953
Teaching Schools income	-	1,563,117	1,563,117	1,618,295
Total funding	-	51,325,810	51,325,810	47,808,248

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	385,428	-	385,428	397,024
Catering income	458,268	-	458,268	393,556
Staff insurance income	-	69,671	69,671	42,047
Wraparound care	1,307,572	-	1,307,572	1,027,232
Fundraising	41,275	-	41,275	113,629
School trips income	1,814,804	-	1,814,804	1,193,355
Other income	169,065	-	169,065	122,540
	<u>4,176,412</u>	<u>69,671</u>	<u>4,246,083</u>	<u>3,289,383</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other investment income	6,771	59	6,830	3,882
	<u>6,771</u>	<u>59</u>	<u>6,830</u>	<u>3,882</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	36,063,093	-	7,379,617	43,442,710	38,850,362
- Allocated support costs	7,101,256	4,629,886	1,901,158	13,632,300	15,771,997
Grants - support costs	-	1,776,942	-	1,776,942	4,331,283
Teaching Schools					
- Direct costs	620,169	-	303,914	924,083	770,402
- Allocated support costs	239,143	40	492,173	731,356	750,972
	<u>44,023,661</u>	<u>6,406,868</u>	<u>10,076,862</u>	<u>60,507,391</u>	<u>60,475,016</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	67,721	46,218
Depreciation of tangible fixed assets	20,269	20,238
Fees payable to auditor for:		
- Audit	43,500	41,500
- Other services	17,250	20,500
- Taxation	600	575
Net interest on defined benefit pension liability	294,000	411,000
	<u>294,000</u>	<u>411,000</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8 Central services

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

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

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

Each primary school in the Trust paid a partnership contribution equal to 4.5% (2022 - 4.5%) and each secondary school pays a partnership contribution, which is the higher of 2% or £160,000 (2022 - 2.5%, capped at £160,000) whichever is higher of their 2022 to 2023 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 2022-23 this was £22,175 for a 1 form entry and £27,720 for a 2 form entry primary school for a full year (2022 - £21,200 and £26,500).

The amounts charged during the year were as follows:

	2023	2022
	£	£
St Augustine's Catholic Primary School	83,679	80,507
St Alban's Catholic Primary School	77,154	72,042
St Anne's Catholic Primary School	108,329	105,314
St Charles Borromeo Catholic Primary and Nursery	41,948	40,960
Cardinal Newman Catholic Primary School	76,578	75,804
The Holy Family Catholic Primary School	65,688	43,219
St Hugh of Lincoln Primary School	62,671	60,351
Salesian School	199,429	185,891
St John the Baptist School	162,021	160,000
The Marist Catholic Primary School	108,520	104,938
St Cuthbert Mayne Catholic Primary School	63,856	59,946
St Thomas of Canterbury Catholic Primary School	108,329	79,035
St Polycarp's Catholic Primary School	108,329	105,159
St Peter's Catholic Secondary School	160,000	160,000
St Edmund's Catholic Primary School	63,375	39,777
Central Services	-	-
	<u>1,489,906</u>	<u>1,372,943</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Analysis of grant expenditure

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Improvements to diocesan property occupied by the academy trust	-	1,776,942	1,776,942	4,331,283

In addition to ongoing spend maintaining the fabric and condition of its estate, the Trust invested £1.8m in significant capital projects in 2022/23 (2021/22 - £4.3m). This was principally invested in 4 key projects, one being the final phase of works at Salesians to complete the Sports Hall and gym, allowing an expansion in the PE programme. The other 3 were at primary schools. At St Anne's, funds were invested to extend the school hall to create more multiuse, storage and welfare facilities. At Holy Family, funds were invested in a new modular building to create a new multiuse teaching space external to the main school building. At St Edmunds, funds were invested to reconfigure existing internal classrooms and circulation space.

10 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	3,928,529	39,514,181	43,442,710	38,850,362
Teaching Schools	-	924,083	924,083	770,402
Support costs				
Educational operations	322,062	15,087,180	15,409,242	20,103,280
Teaching Schools	-	731,356	731,356	750,972
	<u>4,250,591</u>	<u>56,256,800</u>	<u>60,507,391</u>	<u>60,475,016</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Charitable activities

(Continued)

Analysis of costs	Teaching Schools £	Educational operations £	Total 2023 £	Total 2022 £
Direct costs				
Teaching and educational support staff costs	656,516	36,581,784	37,238,300	33,690,157
Staff development	81,017	181,203	262,220	304,757
Technology costs	-	1,053,679	1,053,679	1,042,562
Educational supplies and services	-	1,041,299	1,041,299	1,029,203
Examination fees	-	527,202	527,202	461,363
Educational consultancy	186,550	538,772	725,322	570,013
Other direct costs	-	3,518,771	3,518,771	2,522,709
	<u>924,083</u>	<u>43,442,710</u>	<u>44,366,793</u>	<u>39,620,764</u>
Support costs				
Support staff costs	239,143	7,101,256	7,340,399	9,869,799
Depreciation	-	20,269	20,269	20,238
Technology costs	12,000	540,431	552,431	502,291
Maintenance of premises and equipment	40	4,066,826	4,066,866	6,476,864
Cleaning	-	710,473	710,473	637,814
Energy costs	-	1,094,841	1,094,841	702,917
Rent, rates and other occupancy costs	-	303,909	303,909	286,553
Insurance	-	179,644	179,644	159,372
Security and transport	-	30,866	30,866	29,525
Finance costs	-	294,000	294,000	411,000
Legal costs	1,630	21,323	22,953	21,016
Other support costs	478,543	935,755	1,414,298	1,658,187
Governance costs	-	109,649	109,649	78,676
	<u>731,356</u>	<u>15,409,242</u>	<u>16,140,598</u>	<u>20,854,252</u>

11 Governance costs

All from restricted funds:	Total 2023 £	Total 2022 £
Amounts included in support costs		
Legal costs	29,002	22,016
Auditor's remuneration		
- Audit of financial statements	43,500	41,500
- Other audit costs	17,850	21,075
Other governance costs	42,250	15,101
	<u>132,602</u>	<u>99,692</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

12 Staff

(Continued)

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

	2023 Number	2022 Number
Teachers	464	456
Administration and support	398	398
Management	19	19
	<u>881</u>	<u>873</u>

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	22	16
£70,001 - £80,000	13	12
£80,001 - £90,000	5	5
£90,001 - £100,000	1	1
£100,001 - £110,000	2	1
£110,001 - £120,000	2	1
£140,001 - £150,000	1	1
	<u>46</u>	<u>47</u>

40 (2022 - 32) of the above employees participated in the Teachers Pension Scheme. During the period ended 31 August 2023, pension contributions for these staff amounted to £680,610 (2022 - £555,280).

Another 3 (2022 - 4) of the above employees participated in the Local Government Pension Scheme. During the period ended 31 August 2023, pension contributions for these staff amounted to £56,995 (2022 - £66,810).

Key management personnel

The key management personnel of the academy trust comprise the Directors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £2,356,581 (2022 - £2,209,038).

13 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration (2022 - none).

During the year, no Trustees received any benefits in kind (2022 - none).

During the year ended 31 August 2023 £180 (2022 - £343) was paid to one trustee (2022 - one trustee) for travel.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 (2022 - £10 million) and the cost for the year ended 31 August 2023 was £179,644 (2022 - £159,372).

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

15 Tangible fixed assets

	Freehold property	Leasehold property	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2022	430,000	492,000	31,556	101,172	1,054,728
Additions	-	-	-	49,903	49,903
At 31 August 2023	430,000	492,000	31,556	151,075	1,104,631
Depreciation					
At 1 September 2022	-	16,491	31,556	75,149	123,196
Charge for the year	-	3,968	-	16,301	20,269
At 31 August 2023	-	20,459	31,556	91,450	143,465
Net book value					
At 31 August 2023	430,000	471,541	-	59,625	961,166
At 31 August 2022	430,000	475,509	-	26,023	931,532

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 Stock

	2023	2022
	£	£
School Uniforms	7,481	14,894

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Debtors	2023	2022
	£	£
Trade debtors	345,173	191,361
VAT recoverable	482,562	508,870
Other debtors	65,315	-
Prepayments and accrued income	1,752,250	1,892,451
	<u>2,645,300</u>	<u>2,592,682</u>
18 Creditors: amounts falling due within one year	2023	2022
	£	£
Other loans	46,643	46,643
Trade creditors	1,448,997	1,529,341
Other taxation and social security	842,853	725,022
Other creditors	888,335	795,721
Accruals and deferred income	2,072,916	2,271,381
	<u>5,299,744</u>	<u>5,368,108</u>
19 Creditors: amounts falling due after more than one year	2023	2022
	£	£
Other loans	84,963	131,606
	<u>84,963</u>	<u>131,606</u>
Analysis of loans	2023	2022
	£	£
Wholly repayable within five years	131,606	178,249
Less: included in current liabilities	(46,643)	(46,643)
Amounts included above	<u>84,963</u>	<u>131,606</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	84,963	131,606
	<u>131,606</u>	<u>178,249</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	1,055,584	1,078,978
	<u>1,055,584</u>	<u>1,078,978</u>
Deferred income at 1 September 2022	1,078,978	830,123
Released from previous years	(1,078,978)	(830,123)
Resources deferred in the year	1,055,584	1,078,978
	<u>1,055,584</u>	<u>1,078,978</u>
Deferred income at 31 August 2023	1,055,584	1,078,978

Deferred income is made up of the following balances

	2023	2022
	£	£
Rates relief	141,584	112,726
Teaching school fees	18,200	47,200
Trip income	414,839	437,224
UIFSM	373,728	376,160
Maths Hub funding	5,274	11,210
Donations	4,000	14,135
16-19 Bursary	17,103	20,774
Wrap around care	55,216	47,016
Clubs income	-	12,533
Other	25,640	-
	<u>1,055,584</u>	<u>1,078,978</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	227,128	42,471,499	(43,009,851)	311,224	-
Start up grants	-	50,000	(29,867)	-	20,133
UIFSM	53,449	669,963	(697,167)	-	26,245
Pupil premium	-	699,635	(699,635)	-	-
Catch-up premium	-	127,938	(127,938)	-	-
Other DfE/ESFA grants	94,759	3,479,586	(3,495,846)	-	78,499
Other government grants	-	2,167,550	(2,167,550)	-	-
Teaching Schools	458,906	1,563,117	(1,655,439)	-	366,584
Governors' funds	1,279,334	645,405	(478,853)	(49,903)	1,395,983
Other income	80,412	248,195	(328,607)	-	-
Other restricted funds	566	-	-	-	566
Pension reserve	(6,589,000)	-	(1,002,000)	4,133,000	(3,458,000)
	<u>(4,394,446)</u>	<u>52,122,888</u>	<u>(53,692,753)</u>	<u>4,394,321</u>	<u>(1,569,990)</u>
Restricted fixed asset funds					
Inherited on conversion	905,635	-	(3,968)	-	901,667
DfE group capital grants	838,908	2,141,116	(2,065,094)	-	914,930
Other fixed assets	26,024	-	(16,301)	49,903	59,626
Private sector capital sponsorship	810,689	56,069	(478,684)	353,984	742,058
	<u>2,581,256</u>	<u>2,197,185</u>	<u>(2,564,047)</u>	<u>403,887</u>	<u>2,618,281</u>
Total restricted funds	<u>(1,813,190)</u>	<u>54,320,073</u>	<u>(56,256,800)</u>	<u>4,798,208</u>	<u>1,048,291</u>
Unrestricted funds					
General funds	2,919,517	2,667,039	(1,627,764)	(665,208)	3,293,584
School funds	800,686	2,589,361	(2,622,827)	-	767,220
	<u>3,720,203</u>	<u>5,256,400</u>	<u>(4,250,591)</u>	<u>(665,208)</u>	<u>4,060,804</u>
Total funds	<u>1,907,013</u>	<u>59,576,473</u>	<u>(60,507,391)</u>	<u>4,133,000</u>	<u>5,109,095</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 2023

21 Funds

(Continued)

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

	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	125,608	(192,497)	-	-
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 2023

21 Funds	(Continued)	
Total funds analysis by academy		
Fund balances at 31 August 2023 were allocated as follows:	2023	2022
	£	£
St Augustine's Catholic Primary School	422,279	348,768
St Alban's Catholic Primary School	474,780	440,282
St Anne's Catholic Primary School	575,556	514,130
St Charles Borromeo Catholic Primary and Nursery	340,927	344,240
Cardinal Newman Catholic Primary School	97,066	70,192
The Holy Family Catholic Primary School	170,817	138,897
St Hugh of Lincoln Primary School	171,058	248,050
Salesian School	1,042,967	1,238,607
St John the Baptist School	1,130,972	1,124,885
The Marist Catholic Primary School	109,115	121,285
St Cuthbert Mayne Catholic Primary School	117,697	57,141
St Thomas of Canterbury Catholic Primary School	55,064	64,955
St Polycarp's Catholic Primary School	183,661	294,008
St Peter's Catholic Secondary School	340,782	319,043
St Edmund's Catholic Primary School	192,196	173,849
Central Services	523,877	416,425
Total before fixed assets fund and pension reserve	5,948,814	5,914,757
Restricted fixed asset fund	2,618,281	2,581,256
Pension reserve	(3,458,000)	(6,589,000)
Total funds	5,109,095	1,907,013

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 2023	Total 2022
	£	£	£	£	£	£
St Augustine's Catholic Primary School	1,446,114	214,266	192,678	342,831	2,195,889	1,996,280
St Alban's Catholic Primary School	1,314,385	271,510	154,815	419,593	2,160,303	2,045,118
St Anne's Catholic Primary School	1,552,758	218,320	134,895	426,822	2,332,795	2,162,825
St Charles Borromeo Catholic Primary and Nursery	999,723	155,494	68,806	254,642	1,478,665	1,337,168
Cardinal Newman Catholic Primary School	1,476,650	213,607	93,758	395,112	2,179,127	2,076,501
The Holy Family Catholic Primary School	820,540	139,347	43,366	196,739	1,199,992	1,126,940
St Hugh of Lincoln Primary School	793,390	85,325	74,558	296,370	1,249,643	1,111,512
Salesian School	8,036,605	1,331,565	1,844,596	2,189,633	13,402,399	14,341,386
St John the Baptist School	6,968,310	1,228,204	772,503	1,482,139	10,451,156	9,949,137
The Marist Catholic Primary School	1,618,150	240,862	142,039	402,109	2,403,160	2,132,987
St Cuthbert Mayne Catholic Primary School	748,871	107,327	98,226	201,285	1,155,709	1,013,034
St Thomas of Canterbury Catholic Primary School	1,631,306	247,994	131,012	345,262	2,355,574	2,181,796
St Polycarp's Catholic Primary School	1,580,103	231,401	217,559	506,068	2,535,131	1,999,803
St Peter's Catholic Secondary School	5,894,711	749,519	916,304	1,094,906	8,655,440	7,972,063
St Edmund's Catholic Primary School	757,919	133,845	44,085	220,680	1,156,529	1,124,665
Central Services	1,131,380	976,164	(170,071)	2,636,137	4,573,610	4,021,895
	<u>36,770,915</u>	<u>6,544,750</u>	<u>4,759,129</u>	<u>11,410,328</u>	<u>59,485,122</u>	<u>56,593,110</u>

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total Funds £
	Funds £	General £	Fixed asset £	
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	961,166	961,166
Current assets	4,611,507	6,722,014	1,657,115	12,990,636
Current liabilities	(525,740)	(4,774,004)	-	(5,299,744)
Non-current liabilities	(24,963)	(60,000)	-	(84,963)
Pension scheme liability	-	(3,458,000)	-	(3,458,000)
Total net assets	4,060,804	(1,569,990)	2,618,281	5,109,095

	Unrestricted	Restricted funds:		Total Funds £
	Funds £	General £	Fixed asset £	
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

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 2022.

Contributions amounting to £872,522 were payable to the schemes at 31 August 2023 (2022 - £773,005) 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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%.

A subsequent valuation of the TPS was carried out as at 31 March 2022. The valuation report was published by the Department of Education on 27 October 2023 with the valuation results due to be implemented from 1 April 2024:

- employer contribution rates increasing to 28.68% from 1 April 2024 (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for the service to the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222.2 billion giving a notional past service deficit of £39.8 billion.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

The employer's pension costs paid to the TPS in the period amounted to £5,191,281 (2022 - £4,820,224).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.6% for employers and 5% to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £1,902,000.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations

(Continued)

Local Government Pension Scheme funding valuations are completed every three years with the latest triennial valuation related to the period ended 31 March 2022. In the years succeeding this valuation, the accounting valuation methodology is adopted. The aim of the funding valuation is to ensure that each employer's share of the Fund's assets alongside future expected investment returns and contributions will be sufficient to meet future benefit payments from the Fund. The purpose of an accounting valuation, as conducted in the current and prior year, is to facilitate a consistent comparison of pension positions between employers. An accounting valuation has no effect on the cash contributions that will be certified for an employer.

In conducting an accounting valuation, actuaries have used the projected unit credit method of valuation as required by FRS 102 accounting standards. Results have been projected forward from the latest 2022 funding valuation using approximate roll forward methods to the accounting date of 31 August 2023. Allowances are made for changes in financial and demographic assumptions, benefit accrual, actual pension increases and estimated cashflows over the period. Allowances are also made for bulk transfers, business combinations and settlements where applicable.

Actuaries cannot assess the accuracy of roll forward estimates without another full funding valuation being undertaken. This is due to take place in respect of the period ending 31 March 2025 with results therefore impacting the financial statements for the year ended 31 August 2026.

Financial and demographic assumptions are detailed below and are assessed specifically to the accounting date of 31 August 2023. As at the accounting date, the net discount rate (discount rate net of inflation) has again increased compared to the prior year from 4.25% to 5.20%. Conversely, the rate of CPI has fallen from 3.05% to 3.00% resulting in a marginal decrease in the pension scheme asset at the period end.

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023	2022
	£	£
Employer's contributions	1,961,000	1,855,000
Employees' contributions	583,000	549,000
Total contributions	<u>2,544,000</u>	<u>2,404,000</u>
Principal actuarial assumptions	2023	2022
	%	%
Rate of increase in salaries	4.00	3.95
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	<u>5.20</u>	<u>4.25</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations

(Continued)

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

	2023 Years	2022 Years
Retiring today		
- Males	20.6	22.1
- Females	24.7	24.5
Retiring in 20 years		
- Males	22.0	23.1
- Females	26.1	26.2

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

Change in assumptions at 31 August 2023:	Approximate % increase to Employers Liability	Approximate monetary amount (£'000)
0.1% decrease in real discount rate	2%	661
1 year increase in member life expectancy	4%	1,238
0.1% increase in the Salary Increase Rate	0%	48
0.1% increase in Pension Increase Rate	2%	625

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

	2023 Fair value £	2022 Fair value £
Equities	20,890,880	18,058,360
Bonds	3,298,560	3,326,540
Property	2,199,040	1,900,880
Other assets	1,099,520	475,220
Total market value of assets	27,488,000	23,761,000

The actual return on scheme assets was £1,566,000 (2022: £(1,180,000)).

Amount recognised in the Statement of Financial Activities

	2023 £	2022 £
Current service cost	2,669,000	5,305,000
Interest income	(1,055,000)	(394,000)
Interest cost	1,349,000	805,000
Total operating charge	2,963,000	5,716,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Pension and similar obligations		(Continued)	
Changes in the present value of defined benefit obligations		2023	
		£	
At 1 September 2022		30,350,000	
Current service cost		2,669,000	
Interest cost		1,349,000	
Employee contributions		583,000	
Actuarial gain		(3,622,000)	
Benefits paid		(383,000)	
At 31 August 2023		30,946,000	
Changes in the fair value of the academy trust's share of scheme assets		2023	
		£	
At 1 September 2022		23,761,000	
Interest income		1,055,000	
Actuarial (gain)/loss		511,000	
Employer contributions		1,961,000	
Employee contributions		583,000	
Benefits paid		(383,000)	
At 31 August 2023		27,488,000	
Net deficit at 31 August		3,458,000	
24 Reconciliation of net expenditure to net cash flow from operating activities			
	Notes	2023	2022
		£	£
Net expenditure for the reporting period (as per the statement of financial activities)		(930,918)	(5,676,484)
Adjusted for:			
Capital grants from DfE and other capital income		(2,197,185)	(2,035,881)
Investment income receivable	6	(6,830)	(3,882)
Defined benefit pension costs less contributions payable	23	708,000	3,450,000
Defined benefit pension scheme finance cost	23	294,000	411,000
Depreciation of tangible fixed assets		20,269	20,238
Decrease/(increase) in stocks		7,413	(3,203)
(Increase) in debtors		(52,618)	(1,023,521)
(Decrease)/increase in creditors		(68,364)	1,126,564
Net cash used in operating activities		(2,226,233)	(3,735,169)

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Analysis of changes in net funds

	1 September 2022	Cash flows	Other non- cash changes	31 August 2023
	£	£	£	£
Cash	10,456,819	(118,764)	-	10,337,855
Loans falling due within one year	(46,643)	46,643	(46,643)	(46,643)
Loans falling due after more than one year	(131,606)	-	46,643	(84,963)
	<u>10,278,370</u>	<u>(72,121)</u>	<u>-</u>	<u>10,206,249</u>

26 Long-term commitments

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£	£
Amounts due within one year	47,989	64,511
Amounts due in two and five years	32,301	69,928
	<u>80,290</u>	<u>134,439</u>

27 Capital commitments

At 31 August 2023 there was a capital commitment of £240,123 (2022 - £775,480) for extension to buildings.

XAVIER CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Trust 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 £885 (2022 - £195). 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 Trust Handbook.

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 2023 the trust received £491,300 (2022 - £650,460) and disbursed £491,300 (2022 - £650,460).