

Endeavour Learning Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31st August 2020

Endeavour Learning Trust
Annual Report and Financial Statements
Year Ended 31st August 2020

Contents	Page
Reference and Administrative Details	2 - 3
Trustees' Report	4 - 12
Governance Statement	13 - 16
Statement on Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report to the Members	19 - 21
Independent Reporting Accountant's Assurance Report on Regularity	22 - 23
Statement of Financial Activities incorporating Income & Expenditure Account	24
Balance Sheet	25
Statement of Cash Flows	26
Notes to the Financial Statements	27 - 54

Endeavour Learning Trust

Reference and Administrative Details

Year Ended 31st August 2020

Members	Mr N Gibson Mr G Lloyd Mr R Sachs
Trustees	Mrs C Adams (retired 23 rd February 2020) Mrs G Bahan (appointed 12 th September 2019) Mr D Baldwin (retired 25 th September 2020) Mrs K Bates (appointed 3 rd December 2020) Mrs H K Dicker MBE Mr C Fenny Mr D Latham Mr R Sachs Mrs J Smitton Mrs S Stoker Mr N Ward (appointed 24 th September 2020)
Senior Leadership Team	Mrs L A Gwinnett (CEO/Executive Headteacher/Accounting Officer) Mrs G M Davies Miss J Bacon Mrs N Fairhurst Mr A Bashir
Principal and Registered Office	Endeavour Learning Trust Hesketh Lane Tarleton Preston PR4 6AQ
Company Registration Number	07848372
Independent Auditor	CWR Chartered Accountants 20 Mannin Way Lancaster Business Park Caton Road Lancaster LA1 3SW
Bankers	Lloyds Bank 13 – 15 Hardshaw Street St. Helens WA10 1QZ

Endeavour Learning Trust

Reference and Administrative Details

Year Ended 31st August 2020

Solicitors

Hill Dickinson
No 1 St Paul's Square
Liverpool
L3 9SJ

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from the 1st September 2019 to the 31st August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The Academy Trust operates 2 primary and 2 secondary academies located within the north west of England. The academies have a combined pupil capacity of 2,555 and had a roll of 2,330 in the school census in October 2020. Northbrook Primary Academy was welcomed into the Academy Trust on the 1st July 2020, as a fully sponsored academy.

In addition, the Academy Trust continued its service level agreement with Lancashire County Council in the leadership of Wellfield High School.

Our Teaching School Alliance continues to drive a number of significant networks including an Executive Headteachers' group, senior leaders' networks for careers, curriculum, safeguarding, CPD, behaviour and attendance and SEND. There are a whole range of teaching and learning initiatives and subject networks including an Ofsted rated outstanding School Centred Initial Teacher Training (SCITT) programme.

Structure, Governance and Management

1.1 Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Endeavour Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Endeavour Learning Trust.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

1.2 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.

1.3 Method of Recruitment and Appointment or Election of Trustees

Trustees are recruited in accordance with the Academy Trust's Articles of Association. Trustees are recruited based upon their level of skill and expertise. Trustees undertake a skills and experience audit to identify weaknesses and skills gaps amongst the trustee's. Potential candidates go through an interview and recruitment process.

Trustees are appointed for an initial 4 year term after which they may be reappointed for a further term.

1.4 Policies and Procedures Adopted for the Induction and Training of Trustees.

All new Trustees are invited to meet with the Chief Executive and Chair as the first stage of the induction process. New Trustees receive in house training and an induction pack and have access to Local Authority and the National Governors' Association online training packages. As part of the induction process, Trustees are provided with terms of reference and minutes of board and subcommittee meetings as well as the Academy Trusts Code of Conduct and the current Academies Financial Handbook.

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

1.5 Organisational Structure

The Trustees are responsible for the general control and management of the Academy Trust, although the day to day running of the Academy Trust is delegated to the Chief Executive and the Senior Leadership Team. The Trustees give their time freely and receive no remuneration, except for reimbursement of expenses.

The Trustees have delegated some powers to the Local Academy Councils (LACs) and have a clear scheme of delegation for those powers.

The Trust has a Resources and Audit Committee, whose authority is governed by the scheme of delegation and the Trusts financial regulations. The Chief Executive is the Accounting Officer for the Academy Trust and is supported in the delivery of this role by the Chief Operating Officer.

1.6 Arrangements for Setting Pay and Remuneration of Key Management Personnel

The individual salary ranges of key management personnel are set by referring to the Teachers' Pay and Conditions and are related to the size of the academy/school in terms of pupil numbers and student academic and pastoral profile.

To progress through these ranges, appraisals are conducted annually by line management, this being the Chief Executive, Director of Standards or the Academy Principal for the majority of key management personnel. Line managers will decide if the performance of the staff member has reached the standard required and if so, put forward a pay progression recommendation to the Trust's Remuneration Committee. The Academy Trust has the power to approve or decline the recommendation. If the required standards are not met, teachers do not progress and appropriate action is taken in line with appraisal and capability policies and procedures.

Pay awards for the Chief Executive and Senior Leadership Team are determined by Trust Board following a robust evidence-based process and are reflective of the individual's role and responsibilities. Performance management of the Chief Executive is carried out by Trustees with the help of external consultants.

Support staff are remunerated in line with a recognised public sector pay scale. Increments are awarded on an annual basis until individuals reach the top of their scale. The Academy Trust is seeking to implement a new annual appraisal process related to performance for support staff, aligning processes for all Academy Trust employees.

1.7 Related Parties and Other Connected Charities and Organisations

The Academy Trust applies the policy of 'at-cost' and full disclosure of any related-party transactions. It is the Academy Trust's intention to keep any related-party transactions to a minimum unless they represent greater value for money than the alternative.

During the year ended 31st August 2020 the Academy Trust worked with a significant number of schools and academies within the region to deliver both sports provision/coaching service and teacher training/ continued professional development.

The Academy Trust also continued to support Lancashire County Council in leadership and management of Wellfield High School.

Details of all related party and connected organisations is provided within note 28.

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

1.8 Engagement with Employees (including disabled persons)

The Academy Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we actively combat bigotry.

The Academy Trust considers all application forms from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the academy trust continues. The Academy Trusts policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

The Academy Trust works with employee trade unions and professional associations and engages in consultation, as required, to ensure that all aspects of the Academy Trust affecting its employees, including financial and economic factors, are discussed, conveyed and consulted on with them.

Objectives and Activities

2.1 Objects and Aims

Endeavour Learning Trust is carefully, purposefully and strategically growing and expanding our vibrant community, building on a wide range of well established, inspirational partnerships which nurture respectful, independent, lifelong learners. We ensure that every student receives the same consideration that we would want for our own children. We believe in clear boundaries, high aspirations, creative solutions and the genuine enjoyment that comes from the joy of learning and the pride of achievement and success. We are firmly committed to ensuring that everyone is valued, quality is expected and our wider role at the heart of our communities is taken seriously. Our expansion aims to continue to bring like-minded schools in to join us. Our aims are to grow steadily, but to retain a 'family' feel within the Academy Trust.

2.2 Objectives, Strategies and Activities

Our overall aims are to provide:

- A world class education for all our students, which builds resilience, confidence and drive, in an ever changing world
- A workforce of the highest calibre, with a winning combination of teamwork, skill, experience, passion and an unwavering commitment to excellence
- A relentless focus on individual and collective improvement, personal and professional development, in an ethos of high expectations and personal ambition
- The moral imperative to ensure that no child is left behind and no individual is overlooked in their uniqueness and distinctive potential
- A caring environment, where everyone feels safe and valued and where we get the balance right between nurture and support and stretch and challenge, so that all of us can dream big and work together to make those aspirations a reality.

All of our work is done to further these aims.

2.3 Public Benefit

In exercising its powers and duties the academy trust has complied with its duty to have regard to the Charity Commission's guidance on Public Benefit. The main public benefit delivered by the Academy Trust is the provision of high quality education and pastoral support to its students.

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

Strategic report

3. Achievements and Performance

As a Trust, and throughout the country and globally, the academic year 19/20 presented challenges like never before due to the Covid pandemic. Despite this the Trust saw continued growth and rose to the challenges of significantly adapting the educational provision, as well as supporting our families through very tough times. If anything, the core functions of the Trust came to the fore and ensured our schools were supported practically and strategically.

During this year we welcomed a new Chief Operating Officer, who has brought a timely wealth of experience to support the growth of our Trust, which has led to a full overhaul of our central services. This has included a new financial management system and a restructuring of roles within the corporate services. In addition to consolidating and rationalising the provision, this is also ensuring a firm foundation for future growth.

In addition, there has been expansion and rationalisation of the central school improvement and support team, with the addition of Executive Primary and Secondary Leads to add capacity and support for our senior leaders in our schools. We have also recruited two family support workers to provide capacity in our schools for our families who have escalated to multi-agency support programmes. Ensuring specialist support centrally brings greater clarity within schools for those roles dedicated to the internal provision, so that the central teams can provide specialist strategic support when needed.

This was particularly evident this year in light of the pandemic. From the corporate arm, much needed strategy and practical support was required to take a lead on risk assessments and day to day Covid management within schools, particularly in supporting the key worker/vulnerable students' provision from March to July, and subsequently in the summer term to manage a safe return for our schools in July and as we moved into 2020/21.

Our central student services team was able to work closely with our schools in the management of the outreach and support of our most vulnerable students and families. This included a central strategy for identifying and acting upon those who needed to be in school, those who needed to be supported at home with regular calls and, in some cases home visits and the central organisation of food boxes for our families most in need. A particular focus on mental health and safeguarding of our students during this time from this specialist team was also invaluable for all of our school leaders.

Our executive school improvement support ensured that the guidelines from the Department for Education were deciphered and interpreted to ensure practical, quality provision in our schools for events in school and to support remote learning. This meant that our students received a good quality diet of remote learning, with central standards, processes and resources agreed and shared across schools.

Our Teaching School, Endeavour Learning Teaching School Alliance (ELTSA) was particularly valuable during this year, having continued to develop extremely effective networks in the first part of the academic year,. These networks were utilised heavily in the subsequent lockdown period, so that all subject leaders across our Trust schools and wider partner schools, shared and developed collaboratively the remote learning curriculum and resources. In addition, the Senior and Middle Leader networks that cover the areas of Continuous Professional Development (CPD), Curriculum and Assessment, Progress and Intervention, Pastoral and Safeguarding, Careers Education and Independent Advice and Guidance (CEIAG), Newly Qualified Teachers (NQTs) and our Special Educational Needs and Disabilities Co-ordinators (SENDCo) were able to work closely with each other to respond to the particular demands of their remits. This was driven centrally and strategically by our Trust Executive Team and Teaching School leads.

Again, despite the pandemic, our School Centred Initial Teacher Training (SCITT) partnership continues to provide excellent training for graduates entering the teaching profession, as an accredited centre able to award Qualified Teacher Status. The strength of the programme in the first part of the year enabled the trainees from this cohort to make a positive contribution across our Trust schools through the lockdown of 2020. All trainees completed the year successfully and were well placed for the demands of their first year of teaching. We also continue to accredit and support a thriving School Direct programme at Bridgewater School in Warrington, and this year we have also supported

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

Golborne High School in Wigan to prepare, recruit to and launch their own School Direct programme in September 2020, which is also accredited under our SCITT provision.

1st July 2020 also saw the conversion into our Trust of Northbrook Primary Academy as our newest and first primary sponsor project. Northbrook Primary School (as was) was placed into Special Measures in November of 2019. Following a request for us to sponsor the school, and through our due diligence, we supported as best we could through the lockdown. We recruited our own Executive Head who began working with the school at the point of conversion. July and August were utilised fully to ensure staffing structures, school improvement priorities and physical learning environment improvements proceeded at pace to ensure an effective launch of the academic year in 2020.

Our other sponsor project, Burscough Priory Academy was placed into special measures in November 2017 and joined the Trust on 1st September 2018. A new, permanent Head of School took up post in January 2020 and is now well on the way to becoming the substantive Headteacher from Easter 2021. Significant improvements continue apace, particularly in the areas of senior and middle leadership capacity, ethos, behaviour, and the quality of teaching. Although no formal data outcomes were reported in summer 2020, early indications were on course for an ongoing upward trajectory. We are confident that this school will be making a case for a 'good' judgment when it is next inspected.

Churchtown Primary School joined the Trust in February 2019. The Trust has worked closely with the two headteachers to look at the resources in the school, and work to further improve standards for students is ongoing. Exciting developments are underway, helped by an external review from the primary executive lead from STAR Academies Trust who is also a National Leader of Education.

Tarleton Academy, the founder school in the Trust was also on course for another strong set of GCSE results in an environment of more rigorous, new specification GCSEs. The achievements of disadvantaged students remains a significant strength. Following a behaviour review in January of 2020, improvements were being implemented to ensure Tarleton remained at the levels of excellence that have been the norm. Tarleton remains a model of excellent teaching practice and takes the lead across a number of core subjects in the Trust secondary schools (including Wellfield).

Trust leaders continue to run Wellfield High School, a Lancashire Local Authority school, while we work with the school to reduce their deficit, with a view to them joining the Trust at a later date. Again, significant improvements were projected and effective marketing of the school is now increasing the intake and reputation in the local community. Wellfield in particular, with its higher than average intake of disadvantaged students, was of particular value to these families during the lockdown. They have been highly praised locally for their support of the families and the quality of remote learning.

During this academic year the Trust has also been named as the sponsor for Ormskirk School who were placed into an Ofsted category in May 2019, leading to a Directive Academy Order. The conversion has been problematic, with much opposition from the Foundation Trust who own the school buildings and the land. Due diligence processes were beginning by the end of the summer 2020. We have worked hard to address these issues and we look forward to a successful conversion in 2020/21.

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

3.1 Key Performance Indicators

The headline examination results for the 2019/20 academic year are summarised as follows:

Cohort Average Points Score (APS) from KS2

School	2020	2019	2018
National average for 2019 is 29.0			
Burscough Priory Academy	29.7	29.8	28.8
Tarleton Academy	29.5	28.7	28.6

Students Achieving 4+ in English & Maths

School	2020	2019	2018
National average for 2019 is 63%			
Burscough Priory Academy	71	75%	61%
Tarleton Academy	79	77%	72%

Students Achieving 5+ in English & Maths

School	2020	2019	2018
National average for 2019 is 43			
Burscough Priory Academy	53	52%	43%
Tarleton Academy	56	53%	46%

Attainment 8 (Two Year trend due to changes in methodology)

School	2020	2019	2018
National average for 2019 is 46.5			
Burscough Priory Academy	51.9	49.4	49.9
Tarleton Academy	52.1	49.7	42.7

Percentage of pupils meeting standards (Primary Education)

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

	2020		2019		2018 (National Average)	
	ARE*	GDS^	ARE	GDS	ARE	GDS
Churchtown Primary School	61.7%	8.3%	58%	9%	64% (64%)	7% (10%)
Northbrook Primary Academy	37%	11%	-	-	-	-

*Age Related Expectations

^Greater Depth Standard

3.2 Going Concern

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

4. Financial Review

4.1 Operating and Financial Review

The Trust's ongoing income is predominately from the ESFA in the form of recurrent grants. The use of these grants is restricted to the provision of education. In the year, total income decreased to £15.285m, a movement of £2.699m from the prior year. The decrease is primarily linked to the transfer of schools on conversion from the Local Authority, as at 31st August 2020 the Trust sponsored Northbrook Primary Academy which provided for a transfer of £2.188m; transfer during the prior year related to Burscough Priory Academy and Churchtown Primary School with a combined transfer value of £6.021m. Funding for the Trust educational operations for the year ended 31st August 2020 was £10.987m (2019: £8.778m).

During the year ended 31st August 2020, total expenditure of £13.395m was covered by recurrent grant funding together with other income resources. The surplus of income over expenditure for the year was £1.890m. The Trust generated a £404k cash outflow from operating activities (2019: £1.994m) and maintained an overall cash and equivalent balance for the year ended 31st August 2020 of £2.793m (2019: £3.079m).

The financial position of the Trust remains strong and has provided the opportunity to begin building capacity for future growth through developing the Trust's central service team as well as investment within infrastructure. The Trust is also continuing on its extensive capital investment programme with the aim of maintaining and improving the quality of its estate and facilities for future students. Capital projects are funded from a combination of Condition Improvement Fund (CIF) bids and contributions from the Trust, during the year ended 31st August 2020 the Trust was success in bidding for capital project with a total value of £536K.

As at the 31st August 2020, the net book value of tangible fixed assets was £19.658m (2019: £17,497m). The movement is primarily driven by the donation of fixed assets from sponsoring Northbrook Primary Academy £2.472m.

The deficit in the Local Government Pension Scheme (LGPS) are recognised on the balance sheet in accordance with the provisions of FRS102. It is noted that the pension liability increased from £6.129m to £7.237m. This is primarily due to an increase in past service costs, actuarial loss and a reduction of interest income on scheme assets.

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

4.2 Reserves Policy

The Trustees are satisfied that, having reviewed robust budgets that there are sufficient reserves to absorb future anticipated deficits forecast when the funding will have increased sufficiently to absorb the fixed costs of the Trust. The budgets prepared are designed to cover all known eventualities and still provide scope for in year savings.

Restricted General Reserves

Restricted income funds must be spent by the Academy Trust on the provision of education. As at 31st August 2020 these funds totalled £0.990m (2019: £0.589m) which the Trust board intends to use to fund the development of educational provision and capital investment in the Academy Trust. Transfer from the restricted income fund to the fixed assets reserves will be reflected annually as projects are completed.

Unrestricted Reserves

Unrestricted income funds are those funds that the Academy Trust can spend at they believe appropriate within the aims and objectives of the Trust. As at the financial year end the unrestricted reserves of the Academy Trust were £1.285m (2019: £1.301m)

4.3 Investment Policy

The Academy Trust holds no investments apart from cash balances which are deposited with our bankers. Amounts held for future projects are held in the most appropriate interest bearing account, whilst other amounts required for general running expenses are held in a current account. Trustees review the interest rates available to ensure the best rates are achieved where possible. Unfortunately, in the current climate there are no significant interest rates available with any banks, and other investments are considered too risky, given the short term profile of the amounts held and required availability of deposits.

4.4 Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The key risks have been determined as:

- Health and Safety Risk
- Child Protection Risk
- Financial Risks
- Reputational Risk

Trustees have considered the principal risks and uncertainties that the Academy Trust may be exposed to. A risk register has been completed and appropriate procedures put in place to mitigate the risks.

4.5 Risk Management

The Trustees have formal processes for identifying, evaluating and managing significant risks.

As part of its procedures the Academy Trust has the following key controls:

- Formal agendas and minutes for all meetings of the Trust and committees
- Terms of reference for all committees
- Strategic planning, financial forecasting, budgeting and reporting
- Comprehensive budgeting and monitoring systems. Annual budget formally agreed and regularly reviewed by the Trust
- Regular financial reporting to the Trustees which indicates financial performance against budget forecast.
- Strategic planning, tendering processes and monitoring of capital expenditure

Endeavour Learning Trust

Trustees' Report

Year Ended 31st August 2020

- Robust financial planning and curriculum review to identify staffing needs in relation to pupil numbers and level of funding available
- Defined organisational structures and lines of reporting and accountability
- Formal written policies
- Clearly defined purchasing procedures and internal financial regulations
- Defined authorisation limits, delegation of authority and segregation of duties
- Risk register review to identify and manage risks
- Vetting and recruitment procedures for the protection of students
- Appointment of Responsible Officer to examine on a termly basis the operation of the financial controls. The Responsible Officer's findings are reported to the Trust.
- Annual audit and systems review carried out by external auditors

During 2019/20, there were no material findings identified by the Responsible Officer.

4.6 Fundraising

The Academy Trust only participates in low level fundraising. The purpose of this is not to fund the Academy Trust's core provision of education but support related activities and charities. This fundraising does not involve any professional fundraisers and is only based on voluntary donations. All fundraising undertaken during the year was monitored by the Trustees.

5. Plans for Future Periods


Endeavour Learning Trust will continue to develop its family of academies in order to continue to support children and local communities. Capacity building in advance of need is an essential element of our growth strategy, this will be achieved by working with likeminded organisation, adopting new and innovative work practises and delivering sustained investment in infrastructure. The growth of the Academy Trust and all new projects will be subject to a full business case including detailed due diligence. Decision on growth will therefore be made on a case by case basis.

6. Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 21st January 2021 and signed on the board's behalf by:


.....
Mrs H K Dicker MBE
Chair of Trustees

Endeavour Learning Trust

Governance Statement

Year Ended 31st August 2020

7.1 Scope of Responsibility

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

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

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

7.2 Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met five times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
Mrs Christine Adams	3	3
Mrs Gaynor Bahan	3	5
Mr Duncan Baldwin	4	4
Mrs Helen Dicker (Chair)	5	5
Mr Colin Fenny	4	5
Mr David Latham	4	5
Mr Richard Sachs	3	5
Mrs Jenni Smitton	4	5
Mrs Steph Stoker	1	5

It is expected that the Board of Trustees will grow with the number of schools joining. The addition of Trustees will be based on their skills, with an audit of current skills being completed annually and the identified gaps used as a basis for the new appointments.

The Resources and Audit Committee is a sub-committee of the Board of Trustees. Its principal purpose is to:

- To support the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the responsibilities of Trust.
- To ensure sound management of the Academy Trust's finances and resources, including proper planning, monitoring and probity.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Board of Trustees.
- To receive the annual financial statements for recommendation to the Board of Trustees and for filing in accordance with Companies Act and Charity Commission requirements.
- To receive auditors' reports and to recommend to the Board of Trustee actions as appropriate in response to audit findings.
- To receive and review the work of the internal reviewer, ensuring all issues and recommendations are addressed and implemented.

Endeavour Learning Trust

Governance Statement

Year Ended 31st August 2020

Attendance during the year at meetings of the Resources and Audit Committee was as follows:

Trustees	Meetings attended	Out of a possible
Mrs Christine Adams	2	3
Mrs Helen Dicker	5	5
Mr Colin Fenny	3	5
Mr David Latham	4	5
Mr Richard Sachs	2	5
Mrs Jenni Smitton (Chair)	5	5

The Pay Review Committee is a sub-committee of the Board of Trustees. Its principal purpose is to:

- To implement the Academy Trust's pay policy including the pay for individual members of staff.
- To agree any salary progression of the teaching staff within the Academy Trust.
- To review annually for September the salaries of all senior staff in the light of recommendations made by the Chief Executive.

Attendance during the year at meetings of the Pay Review Committee as follows:

Trustees	Meetings attended	Out of a possible
Mrs Helen Dicker	1	1
Mr Colin Fenny	1	1
Mrs Jenni Smitton (Chair)	1	1
Mrs Steph Stoker	1	1

7.3 Review of Value for Money

As Accounting Officer the Chief Executive 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

The starting point of any of the school budgets in Integrated Curriculum-Financial Planning (ICFP) looking at key metrics (curriculum offer, class size, the average salary cost for teachers, PPA time, leadership time) to plan the deployment of teachers and leaders in way that is effective and affordable. Breadth and depth of curriculum delivered by appropriate specialists is essential.

We have continued to deliver small teaching class sizes through careful allocation of funds. Our selection of staff is based on quality teaching as a first priority in order to deliver best outcomes for students. On the whole, our schools have experienced an increase in pupil numbers as a result of our year on year high and increasing levels of success in our reputation and our outcomes for students.

The Academy Trust also benefits from the development of the Executive Team, which reduces the costs of leadership within the secondary schools by spreading strategic responsibilities across the Trust. A number of centralised services also save individual investment at school level (detailed elsewhere).

The finance and budgets of the Academy Trust as a whole, the costs of the Executive team and the individual schools' budget headlines are monitored closely on behalf of the Trust through half termly Trust Resource Committee meetings. These address current spending against budget and forecast for year end, how this impacts on future period forecasts and what other priorities for contingency may be forthcoming.

Endeavour Learning Trust

Governance Statement

Year Ended 31st August 2020

During the year ended 31st August 2020 the Academy Trust completed a number of procurement projects, utilising recognised public sector procurement frameworks and competitive tendering processes. Significant saving were identified during the procurement process and decision were made on the most economically advantageous tender methodology ensuring value for money was central to the decision making process.

The Academy Trust has also engaged in the streamlining of operational processes and system with the introduction of a new financial management system which is already contributing in terms of increase effectiveness and improvements in efficiency.

During the year ended 31st August 2020 the Academy Trust also considered its energy supply contracts and has now commenced a process to transfer all contract renewal via a large public sector procurement framework to maximise the saving achieved through economies of scale.

7.4 The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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 Endeavour Learning Trust for the year ended 31st August 2020 and up to the date of approval of the annual report and financial statements.

7.5 Capacity to Handle Risk

The Board of Trustees 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 Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31st August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

7.6 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 Trust;
- Regular reviews by the Resources and Audit 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.

The Academy Trust has considered the need for a specific internal audit function and the Trustees appointed H K Dicker MBE, a Trustee, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the Trust on the operation of the systems of control and on the discharge of the Trust's financial responsibilities. From September 2020, the Trust will appoint external consultants to complete this role.

Endeavour Learning Trust

Governance Statement

Year Ended 31st August 2020

7.7 Review of Effectiveness

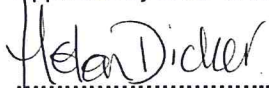
As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the Responsible Officer;
- 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 Resources and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

Approved by order of the members of the Board of Trustees on 21st January 2021 and signed on its behalf by:



Mrs H K Dicker
Chair of Trustees



Mrs L A Gwinnett
Accounting Officer

Endeavour Learning Trust

Statement on Regularity, Propriety and Compliance

Year Ended 31st August 2020

As Accounting Officer of Endeavour Learning Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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



Mrs L A Gwinnett
Accounting Officer

Date: 21st January 2021

Endeavour Learning Trust

Statement of Trustees' Responsibilities

Year Ended 31st August 2020

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report and Directors' Report) and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 21st January 2021 and signed on its behalf by:



Mrs H K Dicker MBE
Chair of Trustees

Endeavour Learning Trust

Independent Auditor's Report to the Members of Endeavour Learning Trust

Year Ended 31st August 2020

Opinion

We have audited the financial statements of Endeavour Learning Trust (the 'Academy Trust') for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

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 financial statements 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 financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. Our opinion on the financial statements 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.

(Continued)

Endeavour Learning Trust

Independent Auditor's Report to the Members of Endeavour Learning Trust

Year Ended 31st August 2020

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

We have nothing to report in this regard.

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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees 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 trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

(Continued)

Endeavour Learning Trust

Independent Auditor's Report to the Members of Endeavour Learning Trust

Year Ended 31st August 2020

Auditor's responsibilities for the audit of the financial statements


Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.


.....
Mr Robert Mitchell FCA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date: 25/01/2021.....

Endeavour Learning Trust

Independent Reporting Accountant's Assurance Report on Regularity to Endeavour Learning Trust and the Education & Skills Funding Agency

Year Ended 31st August 2020

In accordance with the terms of our engagement letter dated 31st August 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Endeavour Learning Trust during the year from the 1st September 2019 to the 31st August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Endeavour Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Endeavour Learning 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 Endeavour Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Endeavour Learning Trust Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Endeavour Learning Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from the 1st September 2019 to the 31st August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the Academy Trust as prescribed in Section 4 of Annex B of the Academies Accounts Direction 2019 to 2020 issued by the ESFA; and
- Planning and performing any additional tests we deemed necessary to express an opinion on regularity.

(Continued)

Endeavour Learning Trust

Independent Reporting Accountant's Assurance Report on Regularity to Endeavour Learning Trust and the Education & Skills Funding Agency

Year Ended 31st August 2020

Conclusion

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



.....
Mr Robert Mitchell FCA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date:25/01/2021.....

Endeavour Learning Trust

Statement of Financial Activities incorporating Income & Expenditure Account

Year Ended 31st August 2020

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Income and endowments from:						
Donations and capital grants	2	-	375	167	542	1,351
Transfer from local authority on conversion	30	-	(335)	2,523	2,188	6,021
Charitable activities:						
Funding for the Academy Trust's educational operations	3	-	10,987	-	10,987	8,778
Teaching schools	31	66	41	-	107	102
Other trading activities	4	1,459	-	-	1,459	1,730
Investments	5	2	-	-	2	2
Total		1,527	11,068	2,690	15,285	17,984
Expenditure on:						
Charitable activities:						
Academy trust's educational operations	7	1,477	11,381	398	13,256	10,959
Teaching schools	31	66	73	-	139	126
Total		1,543	11,454	398	13,395	11,085
Net income/(expenditure)		(16)	(386)	2,292	1,890	6,899
Transfers between funds	16	-	3	(3)	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	26, 27	-	(324)	-	(324)	(1,482)
Net movement in funds		(16)	(707)	2,289	1,566	5,417
Reconciliation of funds:						
Total funds brought forward	16	1,301	(5,540)	17,538	13,299	7,882
Total funds carried forward	16	1,285	(6,247)	19,827	14,865	13,299

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

Endeavour Learning Trust

Balance Sheet

Year Ended 31st August 2020

	Notes	2020 £000	2020 £000	2019 £000	2019 £000
Fixed assets					
Tangible assets	12		19,658		17,497
Current assets					
Debtors	13	535		1,585	
Cash at bank and in hand		2,793		3,079	
		<u>3,328</u>		<u>4,664</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(788)</u>		<u>(2,612)</u>	
Net current assets			<u>2,540</u>		<u>2,052</u>
Total assets less current liabilities			22,198		19,549
Creditors: Amounts falling due after more than one year	15		(96)		(121)
Net assets excluding pension liability			<u>22,102</u>		<u>19,428</u>
Defined benefit pension scheme liability	27		(7,237)		(6,129)
Net assets including pension liability			<u>14,865</u>		<u>13,299</u>
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	16	19,827		17,538	
Restricted income fund	16	990		589	
Pension reserve	16	<u>(7,237)</u>		<u>(6,129)</u>	
Total restricted funds			13,580		11,998
Unrestricted income funds	16		1,285		1,301
Total funds			<u>14,865</u>		<u>13,299</u>

The financial statements on pages 24 to 54 were approved by the trustees, and authorised for issue on the 21st January 2021 and are signed on their behalf by:



Mrs H K Dicker MBE
Chair of Trustees

Company Limited by Guarantee
Registration Number: 07848372

Endeavour Learning trust

Statement of Cash Flows

Year Ended 31st August 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	(404)	1,994
Cash flows from investing activities	22	133	(61)
Cash flows from financing activities	21	(15)	105
Change in cash and cash equivalents in the reporting period		<u>(286)</u>	<u>2,038</u>
Cash and cash equivalents at 1st September 2019		3,079	1,041
Cash and cash equivalents at 31st August 2020	23/24	<u>2,793</u>	<u>3,079</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

1 Accounting policies

General information and basis of preparation

Endeavour Learning Trust is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements and the principal place of business is Hesketh Lane, Tarleton, Preston, PR4 6AQ. The nature of the Academy Trusts operations and principal activities are set out in the Trustees' Report on page 4.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements 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 financial statements.

Income

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

- **Grants receivable**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

1 Accounting policies (continued)

Income (continued)

- **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 goods or services.

- **Donated goods, facilities and services**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer on conversion within Donations and capital grant income to the net assets received. The leasehold buildings of Northbrook Primary Academy were valued by a RICS approved valuer in June 2020 on a depreciation replacement cost basis.

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.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

1 Accounting policies (continued)

Expenditure (continued)

- **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.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific restrictions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful lives, as follows:

Freehold buildings	2% straight line
Leasehold buildings	2% straight line
Fixtures and fittings	20% on reducing balance
Computer equipment	25% on reducing balance

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

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.

The building valuation of Tarleton Academy represents the value of freehold assets as per the ESFA valuation carried out by third party contractor DTZ. The leasehold buildings of Burscough Priory Academy were valued by Lancashire County Council in July 2018 on a depreciated replacement costs basis. The leasehold buildings of Churchtown Primary School were valued by Sefton Borough Council in March 2017 on a depreciated replacement cost basis. The leasehold buildings of Northbrook Primary Academy were valued by a RICS approved valuer in June 2020 on a depreciated replacement cost basis. The building assets are to be depreciated over a 50 year period (note 12).

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

1 Accounting policies (continued)

Agency arrangements

The Academy Trust acts as an agent in distributing School Centred Initial Teacher Training (SCITT) Bursary funding to student teachers. Payments received from the Department for Education and subsequent disbursements to students are excluded from the statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

Conversion to an Academy Trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Northbrook Primary Academy to an Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 30.

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.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

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 as detailed in note 13. Prepayments are not financial instruments.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

1 Accounting policies (continued)

Financial instruments (continued)

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 as detailed in notes 14 and 15. 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.

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 Part 11, Chapter 3 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.

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.

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. 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 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 operating income/(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 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.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

1 Accounting policies (continued)

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 trustees.

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 Group.

Critical accounting estimates and areas of judgement

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial has been used by the actuary in valuing the pensions liability at 31st August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Capital grants	-	167	167	1,224
Trips and other non public funds	-	375	375	127
	<u>-</u>	<u>542</u>	<u>542</u>	<u>1,351</u>

Income from donations and capital grants was £542,000 (2019 - £1,351,000) of which £nil (2019 - £nil) was attributable to unrestricted funds, £375,000 (2019 - £127,000) was attributable to restricted general funds and £167,000 (2019 - £1,224,000) was attributable to restricted fixed asset funds.

£167,000 (2019 - £1,224,000) of government grants were received for capital and maintenance works.

3 Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	9,197	9,197	7,797
Start-up grants	-	90	90	136
Other DfE Group grants	-	1,386	1,386	693
	<u>-</u>	<u>10,673</u>	<u>10,673</u>	<u>8,626</u>
Other Government grants				
Local Authority grants	-	306	306	152
	<u>-</u>	<u>306</u>	<u>306</u>	<u>152</u>
Exceptional Government Funding				
Coronavirus Job Retention Scheme	-	8	8	-
	<u>-</u>	<u>8</u>	<u>8</u>	<u>-</u>
Other income from the Academy Trust's educational operations	-	-	-	-
	<u>-</u>	<u>10,987</u>	<u>10,987</u>	<u>8,778</u>

Funding for Academy Trust's educational operations was £10,987,000 (2019 - £8,778,000) of which £nil (2019 - £nil) was attributable to unrestricted funds, £10,987,000 (2019 - £8,778,000) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

£10,987,000 (2019 - £8,778,000) of government grants were received for the purposes of the day to day running costs of the Academy and its charitable objectives.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Catering income	285	-	285	367
Community and recreation	122	-	122	133
WLSP income	632	-	632	612
Chromebook income	40	-	40	47
SCITT income	201	-	201	219
Facilities and pool hire	36	-	36	150
Income from other schools	143	-	143	202
	<u>1,459</u>	<u>-</u>	<u>1,459</u>	<u>1,730</u>

Income from other trading activities was £1,459,000 (2019 - £1,730,000) of which £1,459,000 (2019 - £1,730,000) was attributable to unrestricted funds, £nil (2019 - £nil) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Short term deposits	2	-	2	2
	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

Investment income was £2,000 (2019 - £2,000) of which £2,000 (2019 - £2,000) was attributable to unrestricted funds, £nil (2019 - £nil) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

6 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2020 £000	Total 2019 £000
		Premises £000	Other Costs £000		
Academy Trust's educational operations					
Direct costs	7,381	398	1,254	9,033	7,064
Allocated support costs	2,670	705	848	4,223	3,895
Teaching School:					
Direct costs	109	-	9	118	102
Allocated support costs	9	-	12	21	24
	<u>10,169</u>	<u>1,103</u>	<u>2,123</u>	<u>13,395</u>	<u>11,085</u>

£1,543,000 (2019 - £1,727,000) of the above expenditure on the Academy Trust's educational operations was attributable to unrestricted funds, £11,454,000 (2019 - £8,996,000) was attributable to restricted general funds and £398,000 (2019 - £362,000) was attributable to restricted fixed asset funds.

Net income/expenditure for the year includes:

	2020 £000	2019 £000
Operating lease rentals	37	48
Depreciation	398	362
Fees payable to the auditor for:		
Audit	13	12
Other services	18	10
	<u>466</u>	<u>432</u>

No additional transactions have taken place under Section 5.2 of the 2019 Academies Financial Handbook which require additional disclosure.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

7 Charitable activities

	Total 2020 £000	Total 2019 £000
Direct costs – educational operations	9,033	7,064
Direct costs – teaching school	118	102
Support costs – educational operations	4,223	3,895
Support costs – teaching school	21	24
	<u>13,395</u>	<u>11,085</u>

Analysis of direct costs	Educational operations £000	Teaching school £000	Total 2020 £000	Total 2019 £000
Direct staff costs	7,381	109	7,490	5,712
Learning resources	118	-	118	103
Examination fees	83	-	83	78
ICT costs	64	-	64	72
School trips and visits	301	-	301	119
Depreciation	398	-	398	362
Other direct costs	688	9	697	720
Total direct costs	<u>9,033</u>	<u>118</u>	<u>9,151</u>	<u>7,166</u>

Analysis of support costs	Educational operations £000	Teaching school £000	Total 2020 £000	Total 2019 £000
Support staff costs	2,670	9	2,679	2,274
Catering costs	300	-	300	293
Premises costs	705	-	705	830
Legal costs – conversion	10	-	10	20
Other support costs	501	12	513	477
Governance costs	37	-	37	25
Total support costs	<u>4,223</u>	<u>21</u>	<u>4,244</u>	<u>3,919</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

8 Staff

(a) Staff costs

	2020 £000	2019 £000
Staff costs during the period were:		
Wages and salaries	7,266	5,665
Social security costs	685	536
Pension costs	2,108	1,487
	<u>10,059</u>	<u>7,688</u>
Apprenticeship levy	21	13
Agency staff costs	59	211
Staff restructuring costs	30	74
	<u>10,169</u>	<u>7,986</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	30	74
Other restructuring costs	-	-
	<u>30</u>	<u>74</u>

(b) Non-statutory / non-contractual staff severance payments

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £30,000 (2019: £74,000). Individually, the payments were for £15,000, £8,000, £6,000 and £1,000.

(c) Staff numbers

The average number of full-time equivalent persons employed by the Academy Trust during the year was as follows:

	2020 Full-time equivalent	2019 Full-time equivalent
Teachers	90	85
Administration and support	103	68
Management	15	16
	<u>169</u>	<u>169</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

8 Staff (continued)

(d) Higher paid staff

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

	2020 No.	2019 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	3	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 – £120,000	1	1
	<u>6</u>	<u>4</u>

(e) Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £490,138 (2019: £382,115).

9 Central services

The Academy Trust has provided the following central services to its academies during the year:

- School Improvement
- Executive Support, Pastoral/Behaviour/Safeguarding and Attendance Management
- Accountants Function, Audit and Financial Returns
- Finance, Payroll/HR and Personnel Function
- Legal and Clerking Advice
- Central Policies/Website Development, CPD Opportunities and Central DPO
- Health and Safety and Estate Management Advice
- Strategic IT Support and Data Analysis

The Academy Trust charges for these services on the following basis:

A charge on ESFA recurrent income based on the following percentages:

- Tarleton Academy 7%
- Burscough Priory Academy 7%
- Churchtown Primary School 5%
- Northbrook Primary Academy 0%

The actual amounts charged during the year were as follows:

	2020 £000	2019 £000
Tarleton Academy	225	148
Burscough Priory Academy	256	237
Churchtown Primary School	165	87
Northbrook Primary Academy	-	-
	<u>646</u>	<u>472</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

10 Related party transactions - Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment with the Academy Trust.

During the year ended 31st August 2020, no travel and subsistence expenses were reimbursed or paid directly to trustees (2019: £nil to trustees).

Other related party transactions involving the trustees are set out in note 28.

11 Trustees' and officers' insurance

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

12 Tangible fixed assets

	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Furniture and Fixtures £000	Computer and Equipment £000	Total £000
Cost					
At 1 st September 2019	9,479	9,108	286	375	19,248
Transfer on conversion	-	2,472	-	-	2,472
Additions	-	33	10	44	87
Disposals	-	-	(36)	(62)	(98)
At 31 st August 2020	9,479	11,613	260	357	21,709
Depreciation					
At 1 st September 2019	1,141	154	168	288	1,751
Charged in period	168	182	26	22	398
Disposals	-	-	(36)	(62)	(98)
At 31 st August 2020	1,309	336	158	248	2,051
Net book values					
At 31 st August 2019	8,338	8,954	118	87	17,497
At 31 st August 2020	8,170	11,277	102	109	19,658

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

13 Debtors

	2020 £000	2019 £000
Trade debtors	145	292
VAT recoverable	44	207
ESFA Capital Improvement Fund (CIF) debtors	65	921
Other debtors	255	46
Prepayments and accrued income	26	119
	<u>535</u>	<u>1,585</u>

14 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	-	1,146
Other taxation and social security	175	157
Loans	14	7
Other creditors	240	248
Accruals and deferred income	359	1,054
	<u>788</u>	<u>2,612</u>

15 Creditors: amounts falling due after more than one year

	2020 £000	2019 £000
Loans	96	121
	<u>96</u>	<u>121</u>

Other creditors relates to a loan received to fund energy efficient projects in the academy funded via the ESFA Salix scheme with no interest charged on the balance outstanding. The cost of repaying the loan will be offset by the energy cost savings resulting from the works carried out. Loan repayments are made in September and March of each year for the life of the loan.

The total repayable after more than five years is £41,000.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

16 Funds

	Balance at 1 st September 2019 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 st August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	534	9,197	(8,902)	3	832
Start-up grant	-	90	(90)	-	-
Pupil premium	-	359	(359)	-	-
Other DfE/ESFA grants	-	1,035	(1,035)	-	-
Local Authority grants	-	306	(306)	-	-
Teaching school	26	41	(73)	-	(6)
Pension reserve	(6,129)	(335)	(449)	(324)	(7,237)
Other restricted funds	29	375	(240)	-	164
	<u>(5,540)</u>	<u>11,068</u>	<u>(11,454)</u>	<u>(321)</u>	<u>(6,247)</u>
Restricted fixed asset funds					
Transfer on conversion	-	2,472	-	(2,472)	-
DfE/ESFA capital grants	41	141	-	(90)	92
Other capital grants	-	77	-	-	77
Capital expenditure post conversion from GAG and other funds	3,260	-	(111)	87	3,236
Building valuation	14,237	-	(287)	2,472	16,422
	<u>17,538</u>	<u>2,690</u>	<u>(398)</u>	<u>(3)</u>	<u>19,827</u>
Total restricted funds	<u>11,998</u>	<u>13,758</u>	<u>(11,852)</u>	<u>(324)</u>	<u>13,580</u>
Total unrestricted funds	<u>1,301</u>	<u>1,527</u>	<u>(1,543)</u>	<u>-</u>	<u>1,285</u>
Total funds	<u>13,299</u>	<u>15,285</u>	<u>(13,395)</u>	<u>(324)</u>	<u>14,865</u>

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

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2019. At the period end the carry forward of GAG funding was £832,000.

Other DfE/ESFA grants include monies received outside of GAG funding for example the Teacher Pay and Teacher Pension Grant. At the period end all these funds had been spent in full.

Local Authority grants represent amounts payable to the Academy predominantly from the County Council. This includes funds which relate specifically to Special Educational Needs (SEN) funding. As at the 31st August 2020 these funds had been spent in full.

The National College and Teaching School grants include income received in relation to the Teaching School status the Trust has obtained. Teaching schools give outstanding schools a leading role in the training and professional development of teachers, support staff and headteachers, as well as contributing to the raising of standards through school-to-school support. As at the year end the fund was in deficit by £6,000.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

16 Funds (continued)

Other restricted funds include monies from trips & non public funds. As at the year end the balance carried forward toward future trip contributions was £164,000.

The pension reserve represents the value of the Trust's share of the deficit in the Local Government Pension Scheme. The value of the deficit had increased to £7,237,000 at the 31st August 2020.

DfE/ESFA capital grants represent capital monies received during the period from the ESFA, predominantly from the Capital Improvement Fund (CIF). As at the 31st August 2020 £92,000 of these funds remained unspent and will be used in the 2020/21 academic year.

The ESFA building valuation represents the value of freehold/leasehold assets of each school. The buildings of Tarleton were valued as per the ESFA valuation carried out by third party contractor DTZ. In this valuation the freehold buildings were valued at £5,810,000. The land being separately valued at £1,000,000. The leasehold buildings of Burscough Priory Academy were valued by Lancashire County Council in July 2018 in accordance with CIPFA requirements. The leasehold buildings of Churchtown Primary School were valued by Sefton Borough Council in March 2017 on a depreciated replacement cost basis. The leasehold buildings of Northbrook Primary Academy were valued by a RICS approved valuer in June 2020 on a depreciated replacement cost basis. The assets were valued using a depreciated replacement cost model and are to be depreciated over a 50 year period.

Other capital expenditure represents the value of other assets purchased by the trust above the capitalisation threshold. These will be depreciated in line with the accounting policies set out in note 1.

Unrestricted funds represent funds generated via activities such as from Teaching School activities and other school to school support, lettings, catering and the activities of West Lancashire Sports Partnership (WLSPP). It also includes funds brought forward from predecessor schools on conversion to academy status. The surplus on this fund at the period end was £1,285,000 and these funds can be used at the discretion of the Trustees to meet the charitable objectives of the Academy.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

16 Funds (continued)

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

	Balance at 1 st September 2018 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 st August 2019 £000
Restricted general funds					
General Annual Grant (GAG)	50	7,797	(7,244)	(69)	534
Start-up grant	93	136	(229)	-	-
Pupil premium	-	239	(239)	-	-
Other DfE/ESFA grants	-	351	(351)	-	-
Local Authority grants	-	152	(152)	-	-
Teaching school	29	48	(51)	-	26
Other grants	-	103	(103)	-	-
Pension reserve	(946)	(3,206)	(495)	(1,482)	(6,129)
Other restricted funds	34	127	(132)	-	29
	<u>(740)</u>	<u>5,747</u>	<u>(8,996)</u>	<u>(1,551)</u>	<u>(5,540)</u>
Restricted fixed asset funds					
Transfer on conversion	-	8,534	-	(8,534)	-
DfE/ESFA capital grants	35	1,224	-	(1,218)	41
Capital expenditure post conversion from GAG and other funds	2,065	-	(92)	1,287	3,260
Building valuation	5,973	-	(270)	8,534	14,237
	<u>8,073</u>	<u>9,758</u>	<u>(362)</u>	<u>69</u>	<u>17,538</u>
Total restricted funds	<u>7,333</u>	<u>15,505</u>	<u>(9,358)</u>	<u>-</u>	<u>11,998</u>
Total unrestricted funds	<u>549</u>	<u>2,479</u>	<u>(1,727)</u>	<u>-</u>	<u>1,301</u>
Total funds	<u>7,882</u>	<u>17,984</u>	<u>(11,085)</u>	<u>(1,482)</u>	<u>13,299</u>

Total funds analysis by academy

Fund balances at 31st August 2020 were allocated as follows:

	2020 £000	2019 £000
Tarleton Academy	636	880
Burscough Priory Academy	668	259
Churchtown Primary School	737	542
Northbrook Primary School	36	-
Central services	198	209
Total before fixed assets and pension reserve	<u>2,275</u>	<u>1,890</u>
Restricted fixed asset fund	19,827	17,538
Pension reserve	<u>(7,237)</u>	<u>(6,129)</u>
Total	<u>14,865</u>	<u>13,299</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

16 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2020 £000	Total 2019 £000
Tarleton Academy	2,131	767	36	704	3,638	4,044
Burscough Priory Academy	2,248	497	18	693	3,456	3,406
Churchtown Primary School	2,540	708	63	424	3,735	2,187
Northbrook Primary Academy	78	32	1	15	126	-
Central services	493	675	-	874	2,042	1,086
Academy Trust	7,490	2,679	118	2,710	12,997	10,723

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

17 Analysis of net assets between funds

Fund balances at 31st August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	19,658	19,658
Current assets	1,285	1,874	169	3,328
Current liabilities	-	(788)	-	(788)
Non-current liabilities	-	(96)	-	(96)
Pension scheme liability	-	(7,237)	-	(7,237)
Total net assets	<u>1,285</u>	<u>(6,247)</u>	<u>19,827</u>	<u>14,865</u>

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	17,497	17,497
Current assets	1,301	3,322	41	4,664
Current liabilities	-	(2,612)	-	(2,612)
Non-current liabilities	-	(121)	-	(121)
Pension scheme liability	-	(6,129)	-	(6,129)
Total net assets	<u>1,301</u>	<u>(5,540)</u>	<u>17,538</u>	<u>13,299</u>

18 Capital commitments

	2020 £000	2019 £000
Contracted for, but not provided in the financial statements	<u>169</u>	<u>41</u>

19 Commitments under operating leases

Operating leases

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

	2020 £000	2019 £000
Amounts due within one year	39	37
Amounts due between one and five years	13	13
Amounts due after five years	-	-
	<u>52</u>	<u>50</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

20 Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2020	2019
	£000	£000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(582)	(1,635)
Adjusted for:		
Depreciation (note 12)	398	362
Capital grants from DfE and other capital income	(218)	(1,224)
Interest receivable (note 4)	(2)	(2)
Defined benefit pension scheme obligation inherited	335	3,206
Defined benefit pension scheme cost less contributions payable (note 27)	342	414
Defined benefit pension scheme finance cost (note 27)	107	81
(Increase)/decrease in debtors	1,050	(1,315)
Increase/(decrease) in creditors	(1,834)	2,107
Net cash (used in)/provided by operating activities	(404)	1,994

21 Cash flows from financing activities

	2020	2019
	£000	£000
Repayments of borrowing	(15)	(6)
Cash inflows from borrowing	-	111
Net cash (used in)/provided by financing activities	(15)	105

22 Cash flows from investing activities

	2020	2019
	£000	£000
Dividends, interest and rents from investments	2	2
Purchase of tangible fixed assets	(87)	(1,287)
Capital grants from DfE/ESFA	141	1,224
Capital funding received from others	77	-
Net cash provided by/(used in) investing activities	133	(61)

23 Analysis of cash and cash equivalents

	2020	2019
	£000	£000
Cash at bank and in hand	2,793	3,079
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	2,793	3,079

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

24 Analysis of changes in net debt

	At 1 st September 2019	Cash flows	Acquisition / disposal of subsidiaries	Finance leases	Other non-cash changes	At 31 st August 2020
Cash	3,079	(286)	-	-	-	2,793
Cash equivalents	-	-	-	-	-	-
	3,079	(286)	-	-	-	2,793
Loans falling due within one year	(7)	(7)	-	-	-	(14)
Loans falling due after more than one year	(121)	25	-	-	-	(96)
	(128)	18	-	-	-	(110)
Total	2,951	(268)	-	-	-	2,683

25 Contingent Liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any capital asset for which a Government Capital grant was received, the School is required to either re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, as the Secretary of State may require.

26 Members' Liability

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

27 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 Lancashire/Merseyside County Pension Fund. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS was 31st March 2016 and of the LGPS 31st March 2016.

Contributions amounting to £171,000 (2019: £127,000) were payable to the schemes at 31st August 2020 and are included within creditors.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

27 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

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

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

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% administration levy)
- 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. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The pension costs paid to TPS in the period amounted to £1,596,000 (2019: £988,000).

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.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

27 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31st August 2020 was £641,000 (2019: £450,000), of which employer's contributions totalled £513,000 (2019: £356,000), and employees' contributions totalled £128,000 (2019: £94,000). The agreed contribution rates for future years are set out as below for employers and the rate for employees remains dependant on the salary of the employee:

Tarleton Academy 18.0%

Burscough Priory Academy 19.8%

Churchtown Primary School 19.2%

Northbrook Primary Academy 17.0%

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

As described in note 1 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Principal Actuarial Assumptions

	At 31 st August 2020	At 31 st August 2019
Rate of increase in salaries	3.8%	3.5%
Rate of increase for pensions in payment / inflation	2.4%	2.1%
Discount rate for scheme liabilities	1.8%	1.8%
Inflation assumption (CPI)	2.3%	2.0%

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

	At 31 st August 2020	At 31 st August 2019
<i>Retiring today</i>		
Males	22.3	22.8
Females	25.0	25.5
<i>Retiring in 20 years</i>		
Males	23.8	25.1
Females	26.8	28.2

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Sensitivity analysis

	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
	+0.1% pa discount rate	+0.1% pa inflation	+0.1% pa pay growth	1 year inc in life expectancy
Central £000	£000	£000	£000	£000
Liabilities	13,263	12,985	13,548	13,641
Assets	(6,026)	(6,026)	(6,026)	(6,026)
Deficit	7,237	6,959	7,522	7,615
Projected service cost	902	881	926	932
Projected net interest	126	127	131	132

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 st August 2020	Fair value at 31 st August 2019
Equities	2,806	1,915
Government bonds	47	101
Other bonds	546	102
Property	734	348
Cash and other liquid assets	176	85
Other	1,717	1,387
Total market value of assets	6,026	3,938

The actual return on scheme assets was £(29,000) (2019: £397,000).

Amounts recognised in the statement of financial activities

	2020 £000	2019 £000
Current service cost (net of employee contributions)	(316)	(120)
Past service cost	(15)	(286)
Interest income	77	83
Interest expense	(184)	(164)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	(11)	(8)
Total operating charge	(449)	(495)

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the present value of defined benefit obligations were as follows:

	2020 £000	2019 £000
At 1st September	10,067	2,748
Conversion of academy	947	4,543
Current service cost	829	476
Past service cost	15	286
Interest cost	184	164
Employee contributions	128	94
Actuarial loss	1,159	1,795
Benefits paid	(66)	(39)
Losses or gains on curtailments	-	-
Past service costs	-	-
At 31st August	<u>13,263</u>	<u>10,067</u>

Changes in the fair value of Academy Trust's share of scheme assets:

	2020 £000	2019 £000
At 1st September	3,938	1,802
Conversion of academy	612	1337
Interest income	77	83
Return on plan assets (excluding interest income)	-	-
Actuarial gain	835	313
Employer contributions	513	356
Employee contributions	128	94
Benefits paid	(66)	(39)
Effect of non-routine settlements	-	-
Administrative expenses	(11)	(8)
At 31st August	<u>6,026</u>	<u>3,938</u>

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

28 Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1st April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures. The following transactions took place in the year ended 31st August 2020.

The Academy Trust has been invoiced and paid Middleforth C of E Primary School £3,790 for the part-time secondment of Mrs C Adams as an Executive Primary Lead. Mrs C Adams was previously a Trustee of Endeavour Learning Trust prior to taking up the secondment and is currently the Executive Headteacher at Northbrook Primary Academy.

The Academy Trust paid Bramhope Associates Limited £9,597 for the provision of financial management and consultancy service for a six month period ending 31st March 2020. Mr A Bashir (Chief Operating Officer) is a director of Bramhope Associates Limited and undertook the consultancy role prior to being appointed as the Trust's Chief Operating Officer on the 1st April 2020, no further charges or payments have been received or made since this date.

Tarleton Corinthians FC have been invoiced £3,296 by The Academy Trust for the hire of sports pitches and facilities during the year ended 31st August 2020. Mrs H Dicker (Chair of Trustees) is also the Treasurer and Welfare Officer at Tarleton Corinthians FC; no preferential rates/charges were provided to Tarleton Corinthians as a result of Mrs H Dickers involvement.

Mr N Ward (Endeavour Learning Trustee) is subject to two related party transactions:

- The Academy Trust has invoiced Euxton C of E Primary £3,410 for the provision of swimming facilities. Mr N Ward is the Headteacher at Euxton C of E Primary.
- The Academy Trust has also invoiced Hesketh with Beaconsall All Saints Primary School £9,606 for the provision of swimming and sports facilities during the year ended 31st August 2020. The headteacher at Hesketh with Beaconsall All Saints is Mr N Ward's spouse.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

29 Agency arrangements

The Academy distributes School Centred Initial Teacher Training (SCITT) Bursary funding to student teachers as an agent for the Department for Education. In the accounting year ending 31st August 2020, the trust received £412,000 (2019: £480,000) and disbursed £412,000 (2019: £480,000) from the fund.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

30 Conversion to an Academy Trust

On the 1st July 2020 Northbrook Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Academy Trust name from the Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net gain / loss in the Statement of Financial Activities as Donations – transfer from Local Authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets				
Leasehold land and buildings	-	-	2,472	2,472
Current assets				
Cash – representing budget surplus on other school funds	-	-	51	51
LGPS pension (deficit)	-	(335)	-	(335)
Net assets	<u>-</u>	<u>(335)</u>	<u>2,523</u>	<u>2,188</u>

The leasehold buildings of Northbrook Primary Academy were valued by a RICS approved valuer in June 2020 on a depreciated replacement cost basis.

Endeavour Learning Trust

Notes to the Financial Statements

Year Ended 31st August 2020

31 Teaching school trading account

	2020 £000	2020 £000	2020 £000	2019 £000	2019 £000	2019 £000
Income						
<i>Direct income:</i>						
Grant income		41			48	
<i>Other income:</i>						
Fundraising and other trading activities		66			54	
		<u> </u>	107		<u> </u>	102
Expenditure						
<i>Direct costs:</i>						
Direct staff costs	109			88		
Staff development	9			14		
Total direct costs	<u> </u>	118		<u> </u>		102
<i>Other costs:</i>						
Support staff costs	9			15		
Travel costs	-			1		
Advertising	-			1		
Conference and meeting	12			7		
Total other costs	<u> </u>	21		<u> </u>		24
		<u> </u>			<u> </u>	
Total expenditure			(139)			(126)
Transfers between funds excluding depreciation			-			-
			<u> </u>			<u> </u>
(Deficit) from all sources			(32)			(24)
Teaching school balances brought forward			26			50
Teaching school balances carried forward			<u> </u>			<u> </u>
			(6)			26
			<u> </u>			<u> </u>

