

Registration number: 07848372

Endeavour Learning Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Beever and Struthers
Chartered Accountants and Statutory Auditors
Suite 9b
The Beehive Lions Drive
Shadsworth Business Park
Blackburn
BB1 2QS

Endeavour Learning Trust

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Endeavour Learning Trust

Reference and Administrative Details

Members	N Gibson G Lloyd R Sachs
Trustees	G Bahan D Baldwin (retired 25 September 2020) K Bates (appointed 3 December 2020) H K Dicker MBE, (Chair) C Fenny D Latham R Sachs J Smitton S Stoker N Ward (appointed 24 September 2020)
Company Secretary	A Bashir
Senior Management Team	L A Gwinnett, Accounting Officer J Bacon, Dir of Standards N Fairhurst, Student Services C Adams, Exec Primary Lead A Bashir, Chief Operating Officer
Principal and Registered Office	Central Hub Yewlands Drive Leyland Lancashire PR25 2TP
Company Registration Number	07848372
Auditors	Beever and Struthers Chartered Accountants and Statutory Auditors Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn BB1 2QS
Bankers	Lloyds Bank 13 - 15 Hardshaw Street St Helens WA10 1QZ

Endeavour Learning Trust

Reference and Administrative Details (continued)

Solicitors

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

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. 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 2,540 and had a roll of 2,297 in the school census in October 2021.

The academy trust continued its working relationship with Lancashire County Council in the leadership of Wellfield High School, as well as accepting leadership and management responsibility for Ormskirk School during the course of the financial reporting period.

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

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 07848372.

The governors act as the trustees for the charitable activities of Endeavour Learning Trust and are also the directors of the charitable company for the purposes of company law. The charitable company operates as Endeavour Learning Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees. See Note 11 for further detail.

Method of recruitment and appointment or election of Trustees

Trustees are recruited in accordance with the Articles of Association. Trustees are recruited based upon their level of skill and expertise, skills and experience audits are undertaken 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.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Policies and procedures adopted for the induction and training of Trustees

All new trustees are invited to meet with the chief executive and chair of trustees' as the first stage of their induction process. 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 sub-committee meetings as well as the academy trusts' code of conduct and the current Academies Trust Handbook.

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 academy trust has a resources and audit committee, whose authority is governed by the scheme of delegation and the academy trust's financial regulations. The chief executive is the accounting officer for the academy trust.

Arrangements for setting pay and remuneration of key management personnel

The individual salary ranges of key management personnel are set by referring to Teachers' Pay and Conditions for teaching colleagues and by the National Joint Council (NJC) for non-teaching colleagues 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, performance evaluations 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 academy trust 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 board of trustees 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.

Trade union facility time

The Trust does not have any trade union facility time.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Connected organisations, including related party relationships

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 reporting period 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 and finance support.

The academy trust also continued to support Lancashire County Council in leadership and management of two of its schools Wellfield High School and Ormskirk School.

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

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 it employees, including financial and economic factors, are discussed, conveyed and consulted on with them.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Objectives and activities

Objects and aims

Endeavour Learning Trust is carefully, purposefully and strategically growing and expanding its 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.

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.

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education. The key public benefit delivered by Endeavour Learning Trust is the development of high-quality education provided within its schools, to the public benefit of all children local to these schools.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

We all have felt the impact of the covid pandemic, and this review has to give space to the impact that it has on our schools. Moreover though, credit is given to the resilience, adaptability, and passion that all of our colleagues have shown to continue supporting children, and providing a high quality of education, irrespective of the circumstances.

We are proud of the achievements of the Trust over the last twelve months. Academically, we have invested in School Improvement with a continual focus on supporting each of our schools to continually advance their practices. This has included collaboration between our schools, investment in CPD, and strategic reviews of how we work, as well as targeted support where it is identified.

We continue to play a significant role in wider sector initiatives as well, with the Accounting Officer holding a position on the regional Headteachers Board, recently renamed as Advisory Boards. We are also investing in our infrastructure and estate, - the project for replacing buildings at Tarleton is ongoing, and we look forward to seeing this further progress in the coming years ahead.

National KS2 moderated SATs did not take place this year, and KS4 assessment was ultimately determined by Teacher Assessed Grades (CAGs). This process resulted in an impressive set of results for our students, who are now proudly accessing the next stage of their life journey.

Going concern

After making appropriate enquiries, the trustees' have 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.

Pupil numbers are buoyant at all schools within the Trust. Reserves are healthy across the Trust as a whole at £1.0m equating to 10% of GAG. Cash flow is strong, and all schools can meet liabilities as they fall due.

Whilst Covid has had an unprecedented impact on the way schools have run during the last year, we are largely grant funded and have continued to receive funding during the pandemic at confirmed levels. The Trust has seen a reduction in budgeted non grant income, for example through the cancellation of lettings and a decimation in demand for the wrap around care but the Trust also experienced savings during the same period in terms of reduced operating costs, notwithstanding the additional costs required to ensure that the sites could operate in line with safety precautions for Covid.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Financial review

The academy trusts' 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 increased to £16.7m, a movement of £1.5m from the prior year. The increase is primarily linked to the transfer of schools on conversion from the Local Authority in the prior year, full year of income from this is in the current year.

During the year ended 31st August 2021, total expenditure of £15.7m was covered by recurrent grant funding together with other income resources. The surplus of income over expenditure for the year was £1m. The Trust generated a £691k cash inflow from operating activities (2020: £404k outflow) and maintained an overall cash and equivalent balance for the year ended 31st August 2021 of £3.3m (2020: £2.8m).

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 2021 the Trust was success in bidding for capital project with a total value of £1.3m (2020: £536K).

As at the 31st August 2021, the net book value of tangible fixed assets was £20m (2020: £19.7m). The movement is primarily driven by additions in the year less the depreciation charge.

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 £7.2m to £8.3m. 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 for the Year Ended 31 August 2021 (continued)

Strategic Report

Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The level of reserves at the end of the year ended 31 August 2021 was £15,284k, and the value of any restricted funds not available for the general purposes of the Trust was £945k. Restricted general funds (excluding pension reserves) were £945k, and the balance on unrestricted funds was £1,706k. The reserves are intended and will continue to support the Trust through its continued development, and to support future strategic projects. In the meantime, surplus reserves are invested at low risk. Current reserve levels are determined to be appropriate by the Trustees, however the Trust has recently set budgeting guidelines for itself that includes a requirement for:

- For each school to be working towards holding at least 10% of GAG levels, notwithstanding that reserves may need to be deployed to support strategic projects before this target is reached by all schools.
- To implement integrated curriculum financial planning principles and for these ratios to be within the average range of broadly comparable schools
- Each school to set a balanced budget (taking into account significant variations in income due to lagged funding)

The Trust has restricted fixed assets fund, with a balance of £20,967 which is in respect of fixed assets and capital expenditure of the Trust, which is not available for general purpose of the charity and will only be realised by disposing of the tangible assets. The pension liability at 31 August 2021 is £8,334, which is shown separately in a restricted fund and the Trustees continue to review the contribution due based on the reports received from the scheme actuary ensuring the cash is available to meet contributions as they fall due. These reports indicate any movement on the position of our liability to the various pensions schemes, and a surplus or deficit movement would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. For both teachers and support staff pensions, our employers contribution is now in excess of 20% of the associated gross pensionable pay.

Restricted General Reserves

Restricted income funds must be spent by the Academy Trust on the provision of education. As at 31st August 2021 these funds totalled £1m (2020: £1m) which the Trust board intends to use to fund the development of educational provision and capital investment in the academy trust. Transfers 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 as they believe appropriate within the aims and objectives of the academy trust. As at the financial year end the unrestricted reserves of the Academy Trust were £1.7m (2020: £1.3m).

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 material 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.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

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.

The Trust have recently retained additional support to manage operational compliance and reputational risks, and an action plan is being brought to a trustees meeting in early 2022, with a balanced scorecard of reporting to be developed this academic year.

The Trust has undertaken a financial risk assessment based on potential key risks identified as:

- Not operating within its budget and running a deficit
- Failure to recruit sufficient learners during age range change
- Changes in funding
- Inappropriate or insufficient financial controls and systems
- Fraudulent activity
- Financial commitments made without adequate authorisation

The key controls used by the academy to reduce risk include:

- Formal agendas for the Trust Board, its Committees and Local Governing Bodies
- Schemes of delegation and formal financial regulations
- Formal written policies
- Clear authorisation and approval levels
- Robust programme of Internal Scrutiny

All staff are regularly trained in safeguarding matters, and the culture of child protection is paramount across the way we work in all of our schools. We have a proactive approach to safeguarding, and regularly review the activities in our schools.

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.

Endeavour Learning Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

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.

Auditor

Insofar 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 members of the Governing Body on 22 December 2021 and signed on its behalf by:



.....
H K Dicker MBE
Trustee

Endeavour Learning Trust

Governance Statement

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 Government Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to 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 Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 7 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
G Bahan	4	7
D Baldwin (retired 25 September 2020)	0	1
K Bates (appointed 3 December 2020)	5	7
H K Dicker MBE, (Chair)	7	7
C Fenny	4	7
D Latham	6	7
R Sachs	1	7
J Smitton	6	7
S Stoker	5	7
N Ward (appointed 24 September 2020)	6	7

Endeavour Learning Trust

Governance Statement (continued)

The board of trustees is not expected to materially grow in size as a result of new schools joining the academy trust. 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 the academy 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 academy trust, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the trustees.
- To receive the annual financial statements for recommendation to the board of trustees and for filing in accordance with Companies Act.
- 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 internal audit, ensuring all issues and recommendations are addressed and implemented.

The Resources and Audit Committee is a sub-committee of the main Governing Body. Its purpose is to Support the Board of Trustees Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
D Baldwin	0	1
K Bates	2	3
H K Dicker MBE	5	5
C Fenny	4	5
D Latham	5	5
J Smitton	4	5
N Ward	3	4

The Pay Review Committee is a sub-committee of the main Governing Body. Its 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 the salaries of all senior staff in the light of recommendations made by the chief executive.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
H K Dicker MBE	1	1
C Fenny	1	1
J Smitton	1	1
S Stoker	1	1

Endeavour Learning Trust

Governance Statement (continued)

Review of value for money

As accounting officer, the member 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 trustees where value for money can be improved, including the use of benchmarking data where available.

The academy trust 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 primary and 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 resources and audit 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.

During the year ended 31st August 2021 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 in effectiveness and improvements in efficiency.

During the year ended 31st August 2021 the academy trust has continued to consolidate its energy supply contracts, transferring all contract renewals via a large public sector procurement framework to maximise saving achieved through economies of scale.

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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Endeavour Learning Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

Trustees have 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 trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the trustees.

Endeavour Learning Trust

Governance Statement (continued)

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 academy 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 appointed an independent business assurance provider (TIAA) to undertake an internal audit programme for the year ended 31 August 2022. The trustees' have requested that an ongoing programme of internal review be developed and that on a termly basis, the internal auditor report to the trustees on the operation of the systems of control and on the discharge of the academy trusts financial responsibilities.

During the year ended 31 August 2021 no internal auditor was appointed and no internal scrutiny was undertaken.

Review of effectiveness

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

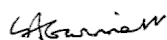
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control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

Approved by order of the members of the board of trustees on 22 December 2021 and signed on its behalf by:



.....
H K Dicker MBE
Trustee



.....
L A Gwinnett
Accounting officer
Head Teacher

Endeavour Learning Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Endeavour Learning Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and the ESFA. If any instances are identified after the date of this statement, these will be notified to the Governing Body and ESFA

Matter 1

Internal Scrutiny - An internal auditor was not appointed until after the end of the financial year. During the period under review no internal scrutiny of the Trust was completed. However, the trust has appointed an external firm to carry out internal scrutiny, and a review of prior year activities has since been carried out.

Matter 2

Management accounts - Monthly management accounts were not prepared and approved by the Trustees during the period, these were only prepared on a quarterly basis. Further support and internal skill & capacity to the central finance team has been sourced and/or appointed and compliant accounts will be prepared during the current financial year.

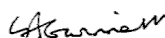
Matter 3

Accuracy of the financial records -a Financial Handbook has not been prepared by the Trust and therefore financial processes were not embedded within the Trust's operating procedures, this led to a number of control processes not being completed as would be expected, including:

- The reconciliation of balance sheet control accounts including the bank accounts
- No fixed asset register was maintained
- Capital income funding was recognised on cash receipt basis and related expenditure was not monitored during the project
- No depreciation posted in the management accounts
- Accruals and prepayments were not calculated on a monthly basis

All of the above items have been addressed in the preparation of the Statutory Financial Statements and processes will be adopted and improved post year end, however these issues led to inaccuracies in the management accounts.

As Accounting Officer I am very confident that the above instances of material irregularity, improper funding non-compliance will be addressed across the Trust within the 2021/2022 financial year.



.....
Chief Executive
Accounting officer

22 December 2021

Endeavour Learning Trust

Statement of Trustees' Responsibilities

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 and 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE 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 on 22 December 2021 and signed on its behalf by:



.....
H K Dicker MBE
Trustee

Endeavour Learning Trust

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

Opinion

We have audited the financial statements of Endeavour Learning Trust "the academy trust" for the year ended 31 August 2021, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including 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 and the Academies Accounts Direction 2020 to 2021 issued by the Education and 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

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

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

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

Endeavour Learning Trust

Independent Auditor's Report on the Financial Statements to the Members of Endeavour Learning Trust (continued)

Other information

The Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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.

Opinion 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) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Endeavour Learning Trust

Independent Auditor's Report on the Financial Statements to the Members of Endeavour Learning Trust (continued)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2020 to 2021 and Academies Financial Handbook 2020, both issued by the Education and Skills Funding Agency.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

Endeavour Learning Trust

Independent Auditor's Report on the Financial Statements to the Members of Endeavour Learning Trust (continued)

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

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

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.

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.



.....
Mark Bradley BA FCA (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, Statutory Auditor

Suite 9b
The Beehive Lions Drive
Shadsworth Business Park
Blackburn
BB1 2QS

22 December 2021

Endeavour Learning Trust

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

In accordance with the terms of our engagement letter dated 27 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Endeavour Learning Trust during the period 1 September 2020 to 31 August 2021 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 the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Endeavour Learning Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Endeavour Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 21 February 2011 (with issued variation agreement on 30/08/2016) and the Academies Financial Handbook extant from 1 September 2020, 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 2020 to 2021. 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 1 September 2020 to 31 August 2021 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 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

Endeavour Learning Trust

Independent Reporting Accountant's Report on Regularity to Endeavour Learning Trust and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- Matter 1
Internal Scrutiny - In accordance with section 3.1 of the Academies Financial Handbook 2020 the Trust must have a programme of Internal Scrutiny using one of the options provided by section 3.17. An internal auditor was not appointed until after the end of the financial year. During the period under review no internal scrutiny of the Trust was completed.
- Matter 2
Management accounts - Monthly management accounts were not prepared and approved by the Trustees during the period in accordance with section 2.18 and 2.19 of the Academies Financial Handbook 2020, these were only prepared on a quarterly basis.
- Matter 3
Accuracy of the financial records - Section 2.6 & 2.7 of the Academies Financial Handbook 2020 requires the design and implementation of sound internal controls to ensure discipline in financial management.

A Financial Handbook has not been prepared by the Trust and therefore financial processes were not embedded within the Trust's operating procedures, this led to a number of control processes not being completed as would be expected, as noted in The Accounting Officers' Statement on Regularity, Propriety and Compliance on page 16. These issues led to inaccuracies in the management accounts.



.....
Mark Bradley BA FCA (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, Chartered Accountants

Suite 9b
The Beehive Lions Drive
Shadsworth Business Park
Blackburn
BB1 2QS

22 December 2021

Endeavour Learning Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

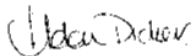
Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Income and endowments from:					
Voluntary income					
Donations and capital grants					
2	1	-	1,388	1,389	542
Transfer from local authority on conversion					
	-	-	-	-	2,188
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations					
3	-	12,802	-	12,802	10,987
30	-	493	-	493	107
4	1,992	18	-	2,010	1,459
5	-	-	-	-	2
Total					
	1,993	13,313	1,388	16,694	15,285
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations					
7	1,572	13,077	541	15,190	13,256
30	-	496	-	496	139
Net income/(expenditure)					
	421	(260)	847	1,008	1,890
Transfers between funds					
	-	(293)	293	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes					
27	-	(589)	-	(589)	(324)
Net movement in funds/(deficit)					
	421	(1,142)	1,140	419	1,566
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020					
	1,285	(6,247)	19,827	14,865	13,299
Total funds/(deficit) carried forward at 31 August 2021					
	1,706	(7,389)	20,967	15,284	14,865

For the comparative SOFA see Note 31.

Endeavour Learning Trust
(Registration number: 07848372)
Balance Sheet as at 31 August 2021

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Tangible assets	12	19,968	19,658
Current assets			
Debtors	13	1,590	535
Cash at bank and in hand		<u>3,348</u>	<u>2,793</u>
		4,938	3,328
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(1,167)</u>	<u>(788)</u>
Net current assets		<u>3,771</u>	<u>2,540</u>
Total assets less current liabilities		23,739	22,198
Creditors: Amounts falling due after more than one year	15	<u>(121)</u>	<u>(96)</u>
Net assets excluding pension liability		23,618	22,102
Defined benefit pension scheme liability	27	<u>(8,334)</u>	<u>(7,237)</u>
Total net assets including pension liability		<u><u>15,284</u></u>	<u><u>14,865</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	16	945	990
Restricted fixed asset fund	16	20,967	19,827
Restricted pension fund	16	<u>(8,334)</u>	<u>(7,237)</u>
		13,578	13,580
Unrestricted funds			
Unrestricted general fund	16	<u>1,706</u>	<u>1,285</u>
Total funds		<u><u>15,284</u></u>	<u><u>14,865</u></u>

The financial statements on pages 24 to 51 were approved by the Trustees, and authorised for issue on 22 December 2021 and signed on their behalf by:



.....
H K Dicker MBE
Trustee

Endeavour Learning Trust

Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £ 000	2020 £ 000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	691	(404)
Cash flows from investing activities	22	(180)	133
Cash flows from financing activities	21	<u>44</u>	<u>(15)</u>
Change in cash and cash equivalents in the year		555	(286)
Cash and cash equivalents at 1 September		<u>2,793</u>	<u>3,079</u>
Cash and cash equivalents at 31 August	23	<u><u>3,348</u></u>	<u><u>2,793</u></u>

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least 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

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

The academy trust is benefiting from the ESFA's Priority Schools Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the academy trust controls through lease of the site where the development is occurring.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

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 as transfer on conversion within Donations and capital grant income to the net assets received.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Freehold buildings	2% straight line
Leasehold buildings	2% straight line
Fixtures and fittings	20% on reducing balance
Computer equipment	25% on reducing balance

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:

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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 Education and Skills Funding Agency/Department for Education.

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 valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 0% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Other voluntary income				
Educational trips and visits	-	-	-	375
Capital grants	-	1,388	1,388	167
Other donations	1	-	1	-
	<u>1</u>	<u>1,388</u>	<u>1,389</u>	<u>542</u>

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

2 Donations and capital grants (continued)

The income from donations and capital grants was £1,388,943 (2020: £542,000) of which £718 was unrestricted (2020: £Nil), £Nil restricted (2020: £375,000) and £1,388,226 restricted fixed assets (2020: £167,000).

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	10,494	10,494	9,197
Start Up Grants	6	6	90
Other DfE / ESFA	1,598	1,598	1,386
	<u>12,098</u>	<u>12,098</u>	<u>10,673</u>
Other government grants			
Local Authority Grants	672	672	306
Exceptional government funding			
Coronavirus Job Retention Scheme	-	-	8
Non-government grants and other income			
Other	32	32	-
Total grants	<u>12,802</u>	<u>12,802</u>	<u>10,987</u>

The funding for educational operations was £12,802,335 (2020: £10,987,463) of which £Nil was unrestricted (2020: £Nil), £12,802,335 restricted (2020: £10,987,463) and £Nil restricted fixed assets (2020: £Nil).

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Hire of facilities	137	-	137	36
Catering income	193	-	193	285
WLSP income	570	-	570	632
Community and recreation	-	-	-	122
Other sales	920	18	938	40
SCITT income	27	-	27	201
Income from other schools	145	-	145	143
	<u>1,992</u>	<u>18</u>	<u>2,010</u>	<u>1,459</u>

The income from other trading activities was £2,009,990 (2020: £1,459,110) of which £1,992,210 was unrestricted (2020: £1,459,110), £17,780 restricted (2020: £Nil) and £Nil restricted fixed assets (2020: £Nil).

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

5 Investment income

	2020/21 Total £ 000	2019/20 Total £ 000
Short term deposits	-	2

The income from investments was £346 (2020: £2,490) of which £346 was unrestricted (2020: £2,490), £Nil restricted (2020: £Nil) and £Nil restricted fixed assets (2020: £Nil).

6 Expenditure

	Non Pay Expenditure			2020/21 Total £ 000	2019/20 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Academy's educational operations					
Direct costs	8,744	541	596	9,881	9,033
Allocated support costs	2,852	868	1,589	5,309	4,223
Teaching School	170	-	326	496	139
	11,766	1,409	2,511	15,686	13,395

Net income/(expenditure) for the year includes:

	2020/21 £ 000	2019/20 £ 000
Operating lease rentals	39	37
Depreciation	541	398
Fees payable to auditor - audit	16	13
- other audit services	8	18

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Charitable activities

	2020/21 £ 000	2019/20 £ 000
Direct costs - educational operations	9,881	9,033
Support costs - educational operations	5,309	4,223
	15,190	13,256
	15,190	13,256
	Educational operations £ 000	2020/21 Total £ 000
		2019/20 Total £ 000
Analysis of support costs		
Support staff costs	2,852	2,670
Technology costs	51	20
Premises costs	868	705
Other support costs	1,512	791
Governance costs	26	37
	5,309	4,223
Total support costs	5,309	4,223

8 Staff

Staff costs

	2020/21 £ 000	2019/20 £ 000
Staff costs during the year were:		
Wages and salaries	8,289	7,266
Social security costs	876	706
Operating costs of defined benefit pension schemes	2,410	2,108
	11,575	10,080
Supply staff costs	191	59
Staff restructuring costs	-	30
	11,766	10,169
	11,766	10,169

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

	2021	2020
	£ 000	£ 000
Staff restructuring costs comprise:		
Severance payments	-	30

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2020: £30,000). Individually, the payments were:

Non-statutory payments £Nil (2020: £30,000). In the prior year, individually, the payments were for £15,000, £8,000, £6,000 and £1,000.

Staff numbers

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

	2020/21	2019/20
	No	No
Charitable Activities		
Teachers	117	90
Administration and support	111	103
Management	20	15
	248	208

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021	2020
	No	No
£60,001 - £70,000	2	2
£70,001 - £80,000	6	3
£80,001 - £90,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. 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 £482,492 (2020: £490,138).

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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 7% charge of GAG income.

The actual amounts charged during the year were as follows:

	2021/20 £ 000	2020/19 £ 000
Tarleton Academy	234	225
Burscough Priory Academy	261	256
Churchtown Primary School	161	165
Northbrook Primary Academy	60	-
	<u>716</u>	<u>646</u>

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 31 August 2021, no travel and subsistence expenses were reimbursed or paid directly to trustees (2020: £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.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

12 Tangible fixed assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Fixtures & Fittings £ 000	Computer equipment £ 000	Total £ 000
Cost					
At 1 September 2020	9,478	11,613	260	358	21,709
Additions	-	516	123	212	851
Transfers	48	(33)	33	(48)	-
At 31 August 2021	<u>9,526</u>	<u>12,096</u>	<u>416</u>	<u>522</u>	<u>22,560</u>
Depreciation					
At 1 September 2020	1,310	336	158	247	2,051
Charge for the year	-	410	79	52	541
Transfers	41	-	-	(41)	-
At 31 August 2021	<u>1,351</u>	<u>746</u>	<u>237</u>	<u>258</u>	<u>2,592</u>
Net book value					
At 31 August 2021	<u>8,175</u>	<u>11,350</u>	<u>179</u>	<u>264</u>	<u>19,968</u>
At 31 August 2020	<u>8,168</u>	<u>11,277</u>	<u>102</u>	<u>111</u>	<u>19,658</u>

The Trust is currently part of the School Rebuilding Programme Capital Project for Tarleton Academy. The new building is expected to be ready in 3-4 years, at this point the existing building will be demolished. The building value currently recognised in the financial statements of £8m will therefore have nil value in 3-4 years time however as nothing had been formally committed to before the 31 August 2021 this has not been reflected in the accounts.

13 Debtors

	2021 £ 000	2020 £ 000
Trade debtors	567	145
VAT recoverable	49	44
Prepayments	145	25
Accrued grant and other income	829	321
	<u>1,590</u>	<u>535</u>

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Creditors: amounts falling due within one year

	2021	2020
	£ 000	£ 000
Trade creditors	388	-
Other taxation and social security	219	175
Loans	21	14
Other creditors	107	69
Accruals	95	359
Deferred income	142	-
Pension scheme creditor	195	171
	1,167	788
	2021	2020
	£ 000	£ 000

Deferred income

Deferred income at 1 September 2020	-	-
Resources deferred in the period	142	-
Amounts released from previous periods	-	-
	142	-
Deferred income at 31 August 2021	142	-

Deferred income relates to rates relief grant.

15 Creditors: amounts falling due after one year

	2021	2020
	£ 000	£ 000
Loans	121	96

Loans comprise low or no interest, unsecured Government funding specifically dedicated to support capital projects and were considered the most economically advantageous way to fund the energy projects for the academy trust:

Salix Loans

Loans from ESFA with no interest charged on the balance outstanding. Loan repayments are made bi-annually in September and March of each year for the life of the loan. The amount outstanding at the year end is £33k.

CIF Loans

The Condition Improvement Fund (CIF) loan is received from ESFA with interest charged at Public Works Loan Board rates. Loan repayments are made monthly over the life of the loan. The amount outstanding at the year end is £109k.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds

	Balance at 1 September 2020	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2021
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant (GAG)	832	10,494	(10,133)	(293)	900
Start-up grant	-	6	(6)	-	-
Pupil Premium	-	444	(444)	-	-
Other DfE/ESFA grants	-	1,154	(1,150)	-	4
Local Authority grants	-	672	(672)	-	-
Teaching school	(6)	493	(496)	-	(9)
Other restricted funds	164	50	(164)	-	50
	990	13,313	(13,065)	(293)	945
Restricted fixed asset funds					
DfE/ESFA capital grants	92	1,388	(254)	-	1,226
Other capital grants	77	-	-	-	77
Capital expenditure post conversion from GAG and other funds	3,236	-	-	293	3,529
Building valuation	16,422	-	(287)	-	16,135
	19,827	1,388	(541)	293	20,967
Restricted pension fund					
Pension fund	(7,237)	-	(508)	(589)	(8,334)
Total restricted funds	13,580	14,701	(14,114)	(589)	13,578
Unrestricted funds					
Unrestricted general funds	1,285	1,993	(1,572)	-	1,706
Total funds	14,865	16,694	(15,686)	(589)	15,284

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

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

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 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)
Other restricted funds	29	375	(240)	-	164
	<u>589</u>	<u>11,403</u>	<u>(11,005)</u>	<u>3</u>	<u>990</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>
Restricted pension funds					
Pension reserve	<u>(6,129)</u>	<u>(335)</u>	<u>(449)</u>	<u>(324)</u>	<u>(7,237)</u>
Total restricted funds	11,998	13,758	(11,852)	(324)	13,580
Unrestricted funds					
Unrestricted general funds	<u>1,301</u>	<u>1,527</u>	<u>(1,543)</u>	<u>-</u>	<u>1,285</u>
Total funds	<u><u>13,299</u></u>	<u><u>15,285</u></u>	<u><u>(13,395)</u></u>	<u><u>(324)</u></u>	<u><u>14,865</u></u>

The academy trust is not subject to GAG carried forward limits.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

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

At the period end the carry forward of GAG funding was £900,000.

Other DfE/ESFA grants include monies received outside of GAG funding for example the Teacher Pay and Teacher Pension Grant. At the period end £4,000 remained unspent.

Local authority grants represent amounts payable to the Academy predominately from the County Council. This includes funds which relate specifically to Special Educational Needs (SEN) funding. As at the 31st August 2021 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. There was a deficit carried forward of £9,000.

Other restricted funds include monies from trips & non public funds. As at the year end the balance carried forward toward future trip contributions was £50,000.

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 £8,334,000 at the 31st August 2021.

DfE/ESFA capital grants represent capital monies received during the period from the ESFA, predominately from the Capital Improvement Fund (CIF). As at the 31st August 2021 £1,226,000 of these funds remained unspent and will be used on the 2021/22 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 other school to school support, lettings, catering and the activities of West Lancashire Sports Partnership (WLSP). It also includes funds brought forward from predecessor schools on conversion to academy status. The surplus on this fund at the end of the period was £1,706,000 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 for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

Analysis of academies by cost

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 2021 £ 000	Total 2020 £ 000
Tarleton Academy	2,520	678	29	656	3,882	3,638
Burscough Priory Academy	2,466	464	56	493	3,479	3,456
Churchtown Primary School	2,686	558	6	525	3,774	3,735
Northbrook Primary Academy	604	155	2	168	928	126
Central services	566	1,071	4	1,442	3,082	2,042
Academy Trust	<u>8,842</u>	<u>2,926</u>	<u>97</u>	<u>3,284</u>	<u>15,145</u>	<u>12,997</u>

17 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	19,968	19,968
Current assets	1,706	2,233	999	4,938
Current liabilities	-	(1,167)	-	(1,167)
Creditors over 1 year	-	(121)	-	(121)
Pension scheme liability	-	(8,334)	-	(8,334)
Total net assets	<u>1,706</u>	<u>(7,389)</u>	<u>20,967</u>	<u>15,284</u>

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Analysis of net assets between funds (continued)

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	-	-	19,658	19,658
Current assets	1,285	1,874	169	3,328
Current liabilities	-	(788)	-	(788)
Creditors over 1 year	-	(96)	-	(96)
Pension scheme liability	-	(7,237)	-	(7,237)
	1,285	(6,247)	19,827	14,865
Total net assets	1,285	(6,247)	19,827	14,865

18 Capital commitments

	2021 £ 000	2020 £ 000
Contracted for, but not provided in the financial statements	414	169

19 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £ 000	2020 £ 000
Amounts due within one year	13	39
Amounts due between one and five years	38	13
	51	52

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

	2020/21	2019/20
	£ 000	£ 000
Net income	1,008	1,890
Depreciation	541	398
Capital grants from DfE and other capital income	(1,388)	(167)
Interest receivable	-	(2)
Defined benefit pension scheme obligation inherited	-	335
Defined benefit pension scheme cost less contributions payable	382	342
Defined benefit pension scheme finance cost	126	107
(Increase)/decrease in debtors	(338)	1,050
Increase/(decrease) in creditors	360	(1,834)
Transfer on conversion	-	(2,523)
Net cash provided by/(used in) Operating Activities	691	(404)

21 Cash flows from financing activities

	2020/21	2019/20
	£ 000	£ 000
Repayments of borrowing	(16)	(15)
Cash inflows from new borrowing	60	-
Net cash provided by/(used in) financing activities	44	(15)

22 Cash flows from investing activities

	2020/21	2019/20
	£ 000	£ 000
Dividends, interest and rents from investments	-	2
Purchase of tangible fixed assets	(851)	(87)
Capital funding received from sponsors and others	671	218
Net cash (used in)/provided by investing activities	(180)	133

23 Analysis of cash and cash equivalents

	2021	2020
	£ 000	£ 000
Cash at bank and in hand	3,348	2,793
Total cash and cash equivalents	3,348	2,793

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	2,793	555	3,348
Loans falling due within one year	(14)	(7)	(21)
Loans falling due after more than one year	(96)	(25)	(121)
	<u>(110)</u>	<u>(32)</u>	<u>(142)</u>
Total	<u>2,683</u>	<u>523</u>	<u>3,206</u>

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 disposals 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 related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £194,515 (2020 - £171,000) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

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.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

The TPS is an unfunded scheme to which both 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 employer's pension costs paid to TPS in the period amounted to £1,336,023 (2020: £1,596,000). 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.

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 31 August 2021 was £745,000 (2020 - £641,000), of which employer's contributions totalled £595,000 (2020 - £513,000) and employees' contributions totalled £150,000 (2020 - £128,000). The agreed contribution rates for future years are set out as below for employers and the rate for employees remains dependent 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 of Education. The guarantee came into force on the 18th July 2013.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	4.20	3.80
Rate of increase for pensions in payment/inflation	2.70	2.40
Discount rate for scheme liabilities	1.70	1.80
Inflation assumptions (CPI)	<u>2.80</u>	<u>2.30</u>

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

	2021	2020
Retiring today		
Males retiring today	22.00	22.30
Females retiring today	24.90	25.00
Retiring in 20 years		
Males retiring in 20 years	23.60	23.80
Females retiring in 20 years	<u>26.70</u>	<u>26.80</u>

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	-84.00	-70.00
Discount rate -0.1%	86.00	71.00
Mortality assumption – 1 year increase	125.00	95.00
Mortality assumption – 1 year decrease	-121.00	-92.00
CPI rate +0.1%	86.00	71.00
CPI rate -0.1%	<u>-84.00</u>	<u>-70.00</u>

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

	2021 £ 000	2020 £ 000
Equities	3,842	2,806
Government bonds	34	47
Other bonds	558	546
Property	745	734
Cash and other liquid assets	153	176
Other	<u>2,236</u>	<u>1,717</u>
Total market value of assets	<u>7,568</u>	<u>6,026</u>

The actual return on scheme assets was £975,000 (2020 - (£29,000)).

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Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£ 000	£ 000
Current service cost	(368)	(316)
Past service cost	-	(15)
Interest income	114	77
Interest cost	(240)	(184)
Admin expenses	(14)	(11)
	<u>(508)</u>	<u>(449)</u>
Total amount recognised in the SOFA	<u>(508)</u>	<u>(449)</u>

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

	2020/21	2019/20
	£ 000	£ 000
At start of period	13,263	10,067
Conversion of academy trusts	-	947
Current service cost	963	829
Interest cost	240	184
Employee contributions	150	128
Actuarial (gain)/loss	1,451	1,159
Benefits paid	(165)	(66)
Past service cost	-	15
	<u>15,902</u>	<u>13,263</u>
At 31 August	<u>15,902</u>	<u>13,263</u>

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

	2020/21	2019/20
	£ 000	£ 000
At start of period	6,026	3,938
Conversion of academy trusts	-	612
Interest income	114	77
Actuarial gain/(loss)	862	835
Employer contributions	595	513
Employee contributions	150	128
Benefits paid	(165)	(66)
Effect of non-routine settlements	(14)	(11)
	<u>7,568</u>	<u>6,026</u>
At 31 August	<u>7,568</u>	<u>6,026</u>

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Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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 the 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 2021.

In the prior year 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 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.

In the prior year 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.

In the prior year 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.

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 Centered Initial Teacher Training (SCITT) Bursary funding to student teachers as an agent for the Department of Education. In the accounting period ending 31 August 2021 the academy trust received £685,700 and disbursed £685,700 from the fund.

Comparatives for the accounting period ending 31 August 2020 are £412,000 received, £412,000 disbursed and £Nil included in other creditors.

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

30 Teaching school trading account

	2020/21 £ 000	2019/20 £ 000
Income		
Direct Income		
Other income	13	41
Other Income		
Fundraising and other trading activities	480	66
Total Income	493	107
Expenditure		
Direct costs		
Direct staff costs	97	109
Staff development	-	9
Other direct costs	317	-
Total direct costs	414	118
Other costs		
Support staff costs	74	9
Technology costs	3	-
Other support costs	5	-
Share of governance costs	-	12
Total other costs	82	21
Total Expenditure	(496)	(139)
Deficit from all sources	(3)	(32)
Teaching school balances at 1 September 2020	(6)	26
Teaching school balances at 31 August 2021	(9)	(6)

Endeavour Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

31 Statement of Financial Activities for the Year Ended 31 August 2020

	Unrestricted funds	Restricted General funds	Restricted fixed asset fund	Total 2019/20
	£000	£000	£000	£000
Income and endowments from:				
Donations and capital grants	-	375	167	542
Transfer from local authority on conversion	-	(335)	2,523	2,188
Charitable activities:				
Funding for the Academy Trust's educational operations	-	10,987	-	10,987
Teaching schools	66	41	-	107
Other trading activities	1,459	-	-	1,459
Investments	2	-	-	2
Total	1,527	11,068	2,690	15,285
Expenditure on:				
Charitable activities:				
Academy trust's educational operations	1,477	11,381	398	13,256
Teaching schools	66	73	-	139
Total	1,543	11,454	398	13,395
Net income/(expenditure)	(16)	(386)	2,292	1,890
Transfers between funds	-	3	(3)	-
Other recognised gains/(losses)				
Actuarial (losses)/gains on defined benefit pension schemes	-	(324)	-	(324)
Net movement in funds	(16)	(707)	2,289	1,566
Reconciliation of funds:				
Total funds brought forward	1,301	(5,540)	17,538	13,299
Total funds carried forward	1,285	(6,247)	19,827	14,865



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