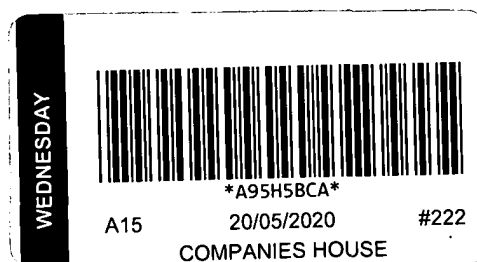


REGISTERED COMPANY NUMBER: 07967402 (England and Wales)

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2019
for**

ENDEAVOUR SCHOOLS TRUST LTD

**M.T.Manley & Co Limited
696 Yardley Wood Road
Billesley
Birmingham
West Midlands
B13 0HY**



ENDEAVOUR SCHOOLS TRUST LTD

**Contents of the Financial Statements
for the Year Ended 31st August 2019**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 - 11
Governance Statement	12 - 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees Responsibilities	17
Report of the Independent Auditors	18 - 20
Independent Accountant's Report on Regularity	21
Statement of Financial Activities	22
Balance Sheet	23 - 24
Cash Flow Statement	25
Notes to the Cash Flow Statement	26
Notes to the Financial Statements	27 - 45
Detailed Statement of Financial Activities	46 - 47

Endeavour Schools Trust Ltd
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

MAT Members	K Lumley C Allen Jones (resigned 31/8/19) P Baker C Skinner P Skuce (appointed 14/11/2018) M James (appointed 14/11/2018 and Diocesan corporate member from 1/9/19) C Banks (appointed 1/12/19)
MAT Board Director/Trustee 2018/19	K Lumley, (Chair of Director/Trustees) ¹ C Allen-Jones, (Vice Chair of Director/Trustees) ¹ (resigned 31/8/19) ¹ J Hughes, (Chair of CCA-LGB) N Wright, (Executive Head/CEO - Director) (appointed 5/5/16; Executive Head/CEO from 1/10/16) J Lumley (resigned 11/3/2019) C Banks, (Chair of Vaynor LGB)
MAT Board Director/Trustee 2019/20 as at 4.12.19	K Lumley, (Chair of Director/Trustees) ¹ (resigned 23/10/19) C Banks, (Chair of Trustees from 23/10/19) ¹ J Hughes, (Chair of CCA LGB) N Wright, (Executive Head/CEO - Director) (appointed 5/5/16; Executive Head/CEO from 1/10/16) S Foster-Agg (appointed 21/10/19) L Bromberg (appointed 1/12/19)
	¹ Member and Director/Trustee
Company registered number	07967402
Company name	Endeavour Schools Trust Ltd
Principal and registered office	Tennyson Road Headless Cross Redditch Worcestershire B97 5BL
Senior management team	N Wright, Executive Head/CEO and Accounting Officer R Ford, Chief Finance Officer S Pinfield, Executive Assistant S Dunstan, Headteacher, Vaynor First School S Shakles, Headteacher, Crabbs Cross Academy
Independent auditors	M.T.Manley & Co Limited 696 Yardley Wood Road Birmingham B13 0HY
Bankers	Lloyds Bank plc 4 The Cross Worcester Worcestershire WR1 3PY
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Directors/Trustees present their annual report together with the financial statements and auditors' Report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Director/Trustees' Report, and a Directors' Report under company law.

The trust operates two academies for pupils aged 4 to 9 in Redditch, Worcestershire. Its academies have a combined pupil capacity of 750 and had a roll of 698 in the school census in May 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The Directors/Trustees of Endeavour Schools Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Endeavour Schools Trust Ltd.

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

Director/Trustees' Indemnities

Directors/Trustees benefit from indemnity insurance purchased at the academy trust's expense to cover the liability of the Directors/Trustees which, by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors/Trustees knew to be a breach of trust or breach of duty or which was committed by the Directors/Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors/Trustees in their capacity as Directors of the academy trust. The limit of this indemnity is unlimited.

Method of Recruitment and Appointment or Election of Director/Trustees

The board of Directors/Trustees of the academy Trust were appointed on or after September 2013 at the formation of the academy trust in accordance with the memorandum and the articles of association.

Directors/Trustees are appointed for a four year period, except that this time limit does not apply to the Executive Head/CEO. Subject to remaining eligible to be a particular type of Director/Trustee any Director/Trustee can be re-appointed or re-elected.

When appointing new Director/Trustees, the Board will give consideration to the skills and experience mix of existing Directors/Trustees, in order to ensure that the Board has the necessary skills to contribute fully to the academy trust development.

Policies and Procedures Adopted for the Induction and Training of Director/Trustees

The Academy trust has a Director/Trustee induction policy available from the Clerk to the Director/Trustees.

The training and induction provided for new Directors/Trustees will depend upon their existing experience but would always include a tour of the academy trust and a chance to meet staff and pupils. All Directors/Trustees are provided with copies of documents that they will need to undertake their role as Director/Trustees. As there are normally only two or three new Directors/Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

Organisational Structure

The academy trust has a leadership structure which consists of the Directors/Trustees and the Executive Head/CEO, who is also a Director/Trustee and Accounting Officer. The Executive Leadership Team provide strategic and operational support across the schools whilst each individual academy has its own Senior Leadership Team and Key Stage/Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels so that the Trust nurtures the talents of all staff and creates succession planning and sustainability through high quality CPD opportunities.

The Board establishes an overall framework for the governance of the academy trust and determines membership, terms of reference and procedures of LGB's (Local governing bodies,) any committees and other groups established. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Director/Trustees, which includes two of the Members; to consider any proposals for changes to the status or constitution of the academy trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteachers and Clerk to the Director/Trustees, to approve the Strategic Development Plan and budget.

The Directors/Trustees are also responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academy trust by the use of budgets and other data, and making major decisions about the direction of the academy trust, capital expenditure, senior and central staff appointments and pay decisions for the executive Leadership team (CEO, CFO and Headteachers.)

The LGB's are responsible for setting specific policies and duties devolved to them and monitoring standards of teaching and learning, feeding their information to the Directors/Trustees via the Chairs. They also receive information regarding finance and buildings through the Director/Trustees.

The Executive Leadership Team (ELT) consists of the Executive Head/CEO, Headteacher from each school and the CFO and HR Advisor. The SLT for each school consists of the Headteacher, Deputy Headteacher, (and in the case of The Vaynor, an Assistant Headteacher) alongside Key Stage Leaders. The ELT controls the academy trust at an executive level, implementing the policies laid down by the Directors/Trustees with the Executive Head/CEO reporting back to Directors/Trustees, and the Headteachers to the LGB's. The Executive Head/CEO, Headteachers and CFO are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Finance Policy and scheme of delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the agreed school systems and Finance Policy. The Executive Head/CEO and Headteachers are responsible for the appointment of staff; appointments for senior posts include a Governor and / or Director/Trustee.

The academy trust comprises of two First Schools, The Vaynor First School and Crabbs Cross Academy. Each has its own Governing Body responsible for day to day operations and management of the school's budget. The Trust board includes Directors/Trustees recommended by the Local Governing Body of each school.

The Executive Head/CEO is the Accounting Officer for the academy trust.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Directors/Trustees consider that the Board of Directors/Trustees and the senior leadership team comprise the key management personnel of the academy trust in charge of directing and controlling, running and operating the academy trust on a day to day basis. All Directors/Trustees give their time freely and no Director/Trustee received remuneration in the year, for their role as Director/Trustee (with the single exception of the Executive Head/CEO).

Details of Director/Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Directors/Trustees benchmark against pay levels in other academies of a similar size. The benchmark is the mid-point of the range paid for similar roles.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
None	76

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	None
1%-50%	None
51%-99%	None
100%	None

Percentage of pay bill spent on facility time

Provide the total cost of facility time	None
Provide the total pay bill	£2,478,023
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
--	----

Related Parties and other Connected Charities and Organisations

Windmill Nursery has a building on The Trust's grounds and there is a lease in existence between it and the academy trust.

The academy trust has strong collaborative links with Walkwood Middle School, which is next to The Vaynor First School and which needs egress across the grounds to access its playing fields. The Vaynor is able to use the Middle Schools fields for sporting activities. These links extend to academic ones, along with Crabbs Cross Academy and other local schools, such as Ombersley First School. This partnership aims to improve the academic standards of the pupils in our area.

The Vaynor First School was the Principal Sponsor of the Crabbs Cross Academy.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

There are no related parties which either control or significantly influence the decisions and operations of the academy trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the academy trust is to advance for the public benefit education, in particular by establishing, maintaining, carrying on, managing and developing schools within the academy trust, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company in this period is the operation of The Vaynor First School and Crabbs Cross Academy to provide free education and care for pupils of different abilities between the ages of 4 and 9.

The Directors/Trustees set the strategic objectives for the trust in their Five Year Strategic Plan and progress against these is reviewed via Executive Head/CEO reports termly. For the period 2018 - 2023 these are –

- Increase the quality of provision in all our schools
- Develop a Trust wide approach to the teaching of “reading into writing” that will drive up standards in English especially in writing for more able and PP children.
- Continue to develop high quality CPD opportunities for all staff so that they can develop a clear ten year career pathway (focus on new staff, NQT and post NQT programmes of support and Teaching Assistants) and so that provision continues to improve
- Developing New Partnerships (including –
- “Towards Teaching School” – to continue to improve provision and pupil outcomes in order to build an evidence base upon which to make an application for designation as a Teaching School)
- Sponsoring and improving schools in need of help and support
- Ensuring a financially viable and sustainable MAT

These are further underpinned by a set of key performance indicators which are –

- All pupils are making at least expected progress
- An increasing number of children are making more than expected progress year on year
- 100% of teaching is at least good
- Attendance is at least broadly in line with national

The aims of The Vaynor First School during the period for each child are to:

- become independent, confident, life-long learners;
- be happy and friendly;
- excel in all that we do and show a positive attitude;
- be caring and respectful towards others;
- have a strong sense of self-worth and belonging;
- be culturally and environmentally aware;
- understand how to maintain a healthy and active lifestyle;
- embrace technological advances; and
- develop the confidence to take a risk and stand up for what we believe in.

The aims of Crabbs Cross Academy during the period for each child are to be:

- inspired to learn;
- inspired to excel;
- inspired to be a good friend and person; and
- inspired to have clear aspirations in life and as a consequence leave school having made excellent progress, being well prepared for moving to the next stage of their education. Importantly, not only will they have achieved educational excellence from their starting point but school will have fostered their individual identities.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

Across the Trust we aim to:

- continue to raise the standard of educational attainment and achievement of all pupils;
- to provide a broad and balanced curriculum, including extra-curricular activities;
- develop the pupils as more effective learners;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to develop the buildings and sites to support pupils growth in every aspect of their time in school;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to develop the leadership, curriculum and teaching standards;
- to develop greater coherence, clarity and effectiveness in school systems;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with local schools within the cluster and pyramid;
- to develop the Academy's capacity to manage change; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

In Endeavour Schools Trust we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a cohesive community in which children, staff and parents are part of happy and caring environments. Our vision is to create a climate where everyone is "inspired to excel."

Public Benefit

The Directors/Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the academy trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

The Vaynor First School is in its eight full year of operation, whilst Crabbs Cross is in its seventh year. The total number of pupils at The Vaynor First School for the year ended 31 August 2019 was 443 but this has decreased to 442 in September 2019.

At Crabbs Cross, the pupil numbers had increased to 255 for the year ended 31st August 2019, but then decreased to 251 in September 2019.

Outcomes for pupils at the Vaynor at July 2019

GLD – 81%; outcome is well above national and continues a trend for the school in terms of high GLD across a number of years. These outcomes represent strong progress over time for this cohort of children

Phonics – 92%; this outcome puts the school well above the national. GLD outcomes for this cohort were 80%.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

KS1 outcomes – reading 84% ARE+; writing 81% ARE+; maths 89% ARE+. These outcomes are well above national comparators. GLD for this cohort was 80%. However, despite the high levels of attainment at age related in writing, the school has failed to increase the proportion working at greater depth – this appears as a key component of the school development plan for the coming year.

Following the initial sponsorship of Crabbs Cross Academy, the trust is now in its seventh year of formal partnership. The schools have continued to work closely together, and share centralised support such as from the Executive Head/CEO and CFO. The work undertaken last year on establishing protocols and principles underpinning joint working so that a regular and robust programme of peer to peer support was in place has seen the quality of provision improve again at Crabbs Cross Academy and The Vaynor. Staff across both settings have worked effectively in partnership through such activities as peer review. Despite the greater sense of being part of one whole created through the range of activities undertaken, the two schools continue to maintain their individual identities therefore continuing to provide our community with choice. This is the philosophy of the Trust.

Outcomes for pupils at Crabbs Cross at July 2019

GLD – 70%; this outcome is best described as broadly in line the national; this result constitutes a slight dip in results compared to the previous year. Most children entered school working below the levels of development for their age across most areas of learning with less than half in reading and writing. Based on this, data would support the view that children are making strong progress during EYFS

Phonics – 88%; this outcome is above national and constitutes a significant improvement for the school; demonstrating the positive impact of the actions leaders have taken to bring about this improvement

KS1 outcomes – reading 60% ARE+; writing 60% ARE+; maths 75% ARE+. These outcomes are lower than those of the previous cohort and are well below national in reading and writing, in maths they are broadly in line with national comparators. GLD for this cohort was 69%.

Directors are aware of the significant challenges presented by the complex and multiple needs of a number of children in this cohort for whom a range of provision and behaviour support strategies have been employed. Phonics outcomes for this group were 13% below national last year and so realistically it was extremely unlikely that outcomes would match last year and would reach national comparators. Progress for this cohort will be carefully tracked moving forward and actions taken to address any issues identified.

Crabbs Cross was subject to a section 8 monitoring of good schools visit in May 2019 and secured its second consecutive "good" outcome.

Both schools have welcomed parents into a range workshops and events to widen communication opportunities between school and home. Partnerships lie at the heart of the Trust's vision and values and there have been many examples of cross school working during the last year – the Trust schools have worked together and with others to moderate outcomes at Yr 2 and EYFS, share good practice and in CPD opportunities for leaders. Some of the schools we have engaged with are –

- Walkwood Academy
- Astwood Bank
- Beaconside
- St Georges CofE First School
- Ombersley First School

To ensure that standards are continually assessed, the academy trust operates a programme of lesson observations and other learning evaluations which are undertaken by Subject Leaders, Middle Management and the Senior Leadership Team as appropriate across the schools. At both schools the Trust also bought in services from external consultants to verify and validate the accuracy of their judgements. Furthermore, other continuing development opportunities are made available to staff, such as the staff across the schools moderated together to ensure standards are sufficiently high enough; there has also been joint staff training, joint learning walks and exemplary teaching has been observed across the Trust in order to share good practise; peer review is used as a tool to support this process. The executive leadership team meets regularly to ensure standards and expectations are consistently being extended.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

~~During the year the trust made improvements across its estate:~~

At The Vaynor First School a mobile reception class has been replaced with a permanent new build classroom, and the boiler room has been refurbished and the heating boilers replaced.

At Crabbs Cross Academy a successful Condition Improvement Fund application enabled a roof replacement project to go ahead.

A school house was refurbished to accommodate the academy trust offices for use by a central team.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) income requires special attention as the amount of GAG income available to carry forward is not restricted under the funding agreement

As funding is based on pupil numbers this is also a key performance indicator.

At The Vaynor, pupil numbers for the end of 2019 are 442, one less than in 2018. Maximum capacity is 450.

At Crabbs Cross, pupil number for the end of 2019 are 251, this is a decrease of 4 from 2018. Maximum capacity is 300.

Another key financial performance indicator is staffing costs as a percentage of GAG. For the period 1st September 2018 to 31st August 2019 total staff costs were £2,478,023, this represents 80.3% of total income.

The following KPI's were set at the start of the year 2018/19:

KPI	Target	Actual
1. GAG carry forward %age	0.0%	-5.4%
2. Pupil to teacher ratio	21 : 1	24 : 1
3. Student attendance	98%	98%
4. Total income per pupil	£4,119	£4,419
5. Total GAG per pupil	£3,512	£3,504
6. Staff cost per pupil	£3,405	£3,550
7. Capital spend per pupil in the year	£43	£223
8. Fixed assets value per pupil	£9,069	£9,276
9. Property repair costs per pupil	£144	£22
10. Cash balances at the year end	£981,000	£1,247,916
11. Net assets at the year end	£6,517,560	£6,143,304

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the academy trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period 1st September 2018 to 31st August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The academy trust also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

During the period ending 31 August 2019, the excess of expenditure over income for the year (excluding pension reserves) was £154,929.

At 31 August 2019 the net book value of fixed assets was £6,474,289 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the trust.

The academy trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff. The deficit is incorporated within the Statement of Financial Activity with details in note 19 to the financial statements.

The key financial policies reviewed during the year are the Finance Policy and the Scheme of Delegation, which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the academy trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the academy trust's reserves.

Directors/Trustees have appointed an internal auditor, to undertake a programme of internal checks on the financial controls, one per term. During the year the Directors/Trustees received written reports from the internal auditors.

Reserves Policy

The Directors/Trustees will review the reserve levels of the academy trust annually. This review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors/Trustees will take into consideration the future plans of the academy trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Directors/Trustees have determined that the appropriate level of reserves should be £540,000, the equivalent of two months expenditure across the academy trust. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, a rise in pupil numbers requiring a further member of staff, staffing absence and the need to increase Special Needs cover should further high needs children be received into the schools. The academy trust's current level of reserves is £1,060,015. This is the figure of both the restricted fund and unrestricted funds, excluding pension reserves.

The Directors/Trustees have reviewed the future plans of the academy trust and have set designated reserves as follows:

- 33% towards the cost of any successful CIF bid. This would be the curtain walling at the Vaynor First School and refurbishment of rotting wood and poorly insulated windows at Crabbs Cross Academy.
- The set up cost of a second trust hub to house a growing central team.
- Sufficient funds need to be available to support the academy trust's plans for growth, therefore funds have been held for this purpose. This is a key priority for the academy trust moving forward.

Investment Policy

Due to the current economic climate the Directors/Trustees have not been able to locate investment opportunities that will maximise any surplus without tying the funds up to a long period, having sought independent financial advice to support them in this search, £300,000 has been invested in a 32 Day Notice deposit account.

Principal Risks And Uncertainties

The Board of Directors/Trustees has reviewed the principal risks and uncertainties to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks and uncertainties.

The principal risks and uncertainties facing the academy trust are as follows:

Financial- the academy trust has considerable reliance on continued Government funding through the ESFA. In the last

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

year 96% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

Reputational- the continuing success of the academy trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Directors/Trustees ensure that student success and achievement are closely monitored and reviewed and that the curriculum inspires pupils. Furthermore, use of advertising and a high profile in the press are amongst strategies being used to raise confidence in Crabbs Cross Academy as places here remain unfilled.

Safeguarding and child protection- the Directors/Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing- the success of the academy trust is reliant on the quality of its staff and so the Directors/Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

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

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy Trust has agreed a Risk Management Strategy outlined within the Risk Assessment Policy. These have been discussed by Directors/Trustees and include the financial risks to the Academy trust. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

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

Whilst The Vaynor First School is over-subscribed, Crabbs Cross is under subscribed and this provides a challenge to the academy trust over the next two years due to risks associated to revenue funding from unfilled places. On top of this, the uncertainty on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Directors/Trustees examine the financial health formally every half term, reviewing performance against budgets and overall expenditure by means of regular update reports at all FAR committee, Director/Trustees' and LGB meetings.

At the year end, the academy trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Directors/Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 19 to the financial statements, represents a significant potential liability. However, as the Directors/Trustees consider that the academy trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

FUNDRAISING

The trust has a positive and active approach to fundraising and has supported many charitable organisations during the year including:

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTOR/TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

- Macmillan Cancer Support
- Great Ormond Street Hospital
- Save the Children
- Children in need
- Comic relief/Sports relief

The academy trust does not use external fundraisers except for the Vaynor PTA and the Crabbs Cross Friends. All fundraising undertaken during the year was monitored by the Directors/Trustees.

PLANS FOR FUTURE PERIODS

The trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The academy trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The academies within the trust will continue to work with partner schools to improve the educational opportunities for students in the wider community, to ensure the best possible outcomes for all.

The Five year strategic plan for the Trust outlines plans for further growth of the Trust alongside developing high quality provision and therefore higher standards of achievement by pupils

A key component of planning and success for the coming year focusses on the successful induction of the newest member of the Endeavour family, St George's CE First School and Nursery which has been sponsored by the Trust from September 1st 2019.

FUNDS HELD AS CUSTODIAN DIRECTOR/TRUSTEES ON BEHALF OF OTHERS

The Endeavour Schools Trust's academies and its Directors//Trustees do not act as the Custodian Directors/Trustees of any other Charity.

AUDITORS

Insofar as the Directors/Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- the Directors/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 auditors are aware of that information.

The auditors, M.T.Manley & Co Limited, have been appointed to audit the annual financial statements and provide internal assurance of the academy trust for Directors/Trustees.

The Director/Trustees' Report, incorporating a strategic report, was approved by order of the Board of Director/Trustees, as company directors, on Wednesday 4th December 2019 and signed on the board's behalf by:



**C Banks
Chair of Directors/Trustees**

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Directors/Trustees, we acknowledge we have overall responsibility for ensuring that Endeavour Schools 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.

The Board of Directors/Trustees has delegated the day-to-day responsibility to the Executive Head/CEO, 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 Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors/Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

MAT Board Director/Trustees	Meetings attended	Out of a possible
K Lumley	9	12
C Allen-Jones	10	12
N Wright	12	12
C Banks	7	9
T Slater	7	12
J Hughes	12	12
J Lumley	3	4

The governance structure is reviewed annually. The Headteacher of each school has created operational plans and reported back at strategic level for Directors/Trustees in order for the board to hold them to account.

Both Local Governing Bodies have also undertaken a full self-review and have some actions in place to further strengthen accountability, particularly with a view to verification of actions reported through visits to the schools themselves. A further action has been to actively recruit members, both to replace those who, for personal reasons have had to resign during the year, and to enlarge numbers.

The Board of Directors/Trustees have seen the following changes to the composition this year

T Slater	resigned 31/7/19
J Lumley	resigned 11/3/19
C Allen-Jones	resigned 31/8/19

Directors have continued to review and refine their systems for receiving reports from the Executive Head/CEO, streamlining these to make them more manageable and "fit for purpose" so that when additional schools join the Trust the report is still accessible and relevant. Vision building and planning for such growth has been a key consideration for Directors during this period. The introduction of these systems has meant that the data reports received give an overview for each school and an overall MAT position enabling Directors to see at a glance how well each school is performing and how the MAT overall is performing in comparison to national benchmarks. As a result, they are better equipped to be able to ask challenging questions about data and thus hold to account the local governing bodies and Headteachers.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Directors have due regards to the effectiveness of their own performance, and this is monitored by Members via their regular meetings with the Executive Head/CEO. Additionally, Directors have engaged in self-auditing processes undertaken during the year and have actively discussed succession planning and skills required by the Trust moving forward, planning for future membership based on these processes; the recent introduction of a self-review of effectiveness as a standing agenda item at each meeting will be implemented in the coming year at both LGB and Board level. This results in a strong board of Directors with the skills needed to lead the Trust in its future endeavours.

The Finance, Audit and Risk Committee is a sub-committee of the main board of Director/Trustees. Its purpose is to:

- provide assurance to the board over the suitability of, and compliance with, its financial systems and operational controls, and to ensure that risks are being adequately identified and managed.
- must ensure rigour and scrutiny in budget management.

Attendance at meetings in the year was as follows

Director/Trustees	Meetings attended	Out of a possible
K Lumley	1	2
C Allen-Jones	3	3
T Slater	3	3
J Hughes	3	3
N Wright	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Executive Head/CEO has responsibility for ensuring that the 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's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors/Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the trust has delivered improved value for money during the year by:

- Robust financial governance and budget management.
- Value for money purchasing with procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Reviewing controls and managing risk.
- Deploying staff effectively.

Examples of how the Trust have achieved value for money in the period are:

Both the schools within the trust have received large capital investment during the year. These projects were carried out following a full tendering process to achieve and ensure value for money.

The Vaynor First School has replaced a mobile classroom that was well beyond its expected life and economic repair, with a permanent building. The school has also carried out a boiler room refurbishment including replacement boilers that will provide much greater energy efficiencies.

Crabbs Cross Academy have moved the main pedestrian entrance into the school away from the vehicular access and installed electronic gates to strengthen the safeguarding measures at the school. The school has also replaced a large proportion of the roofing that had deteriorated beyond repair. This has ensured the buildings are fit for purpose for the next 25 years and greatly improved the thermal efficiencies of the building.

Shared leadership, curriculum training and robust shared moderations have led to raised standards of teaching and

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

learning. As a consequence, results across our schools have improved (e.g. in phonics outcomes,) this is further validated by moderations wider than the schools within the academy trust.

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 Schools Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors/Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors/Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy trust's significant risks, which has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Director/Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Director/Trustees;
- regular reviews by the Finance and general purposes 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 Board of Directors/Trustees considered the need for a specific internal audit function and decided not to appoint an internal auditor. However, the Directors/Trustees have appointed the external auditor, to perform additional checks

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Testing of payroll systems,
- Testing of purchase systems,
- Testing of control account/bank account reconciliations,
- Review of the trust risk register,
- Testing of the trust's websites regarding legal compliance.

On a termly basis, the Internal Auditor reports to the Board of Directors/Trustees through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Director/Trustees' financial responsibilities.

The Internal Auditors have both undertaken their roles diligently and reported as expected to the appropriate bodies. There were minor issues found, all of which have been rectified.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

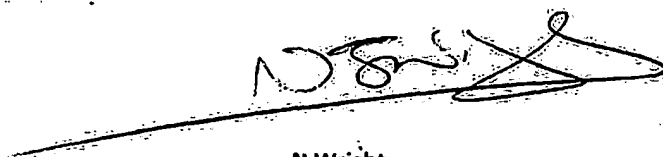
- the work of the Internal Auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk 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 Directors/Trustees on Wednesday 4th December 2019 and signed on their behalf, by:



C Banks
Chair of Director/Trustees



N Wright
Accounting Officer

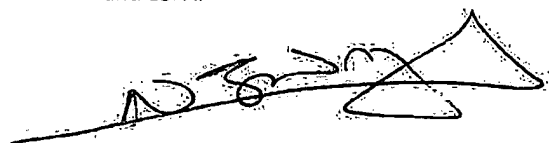
**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Endeavour Schools Trust I have considered my responsibility to notify the Academy Trust Board of Directors/Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of 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 2018.

I confirm that I and the academy trust Board of Directors/Trustees 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 2018.

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



**N Wright
Accounting Officer**

Date: 4/12/19

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF DIRECTOR/TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

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

Company law requires the Directors/Trustees to prepare financial statements for each financial year. Under company law the Directors/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 Directors/Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by order of the members of the Board of Directors/Trustees and signed on its behalf by:



**C Banks
Chair of Director/Trustees**

Date: 4/2/19

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Report of the Independent Auditors to the Members of
Endeavour Schools Trust Ltd**

Opinion

We have audited the financial statements of Endeavour Schools Trust Ltd (the 'charitable company') for the year ended 31st August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Report of the Independent Auditors to the Members of
ENDEAVOUR SCHOOLS TRUST LTD**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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:

- 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

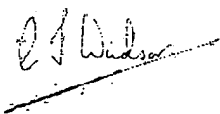
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Report of the Independent Auditors to the Members of
ENDEAVOUR SCHOOLS TRUST LTD**

Use of our report

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



Christopher Windsor (Senior Statutory Auditor)
for and on behalf of M.T.Manley & Co Limited
696 Yardley Wood Road
Billesley
Birmingham
West Midlands
B13 0HY

Date: 18th December 2019

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Independent Reporting Accountant's Assurance Report on Regularity to
Endeavour Schools Trust Ltd and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Endeavour Schools Trust Ltd during the period 1st September 2018 to 31st August 2019 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 Schools Trust Ltd and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Endeavour Schools Trust Ltd 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 Schools Trust Ltd and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Endeavour Schools Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Endeavour Schools Trust Ltd's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2018 to 31st August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

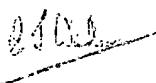
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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 charitable company's income and expenditure.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2018 to 31st August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



M.T. Manley & Co Limited
696 Yardley Wood Road
Billesley
Birmingham
West Midlands
B13 0HY

Date: 18th December 2018

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Statement of Financial Activities
for the Year Ended 31st August 2019

				2019	2018
		Unrestricted fund	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and capital grants	2	8,420	12,503	20,923	44,268
Charitable activities					
Funding for the academy's educational operations	3	-	2,881,645	2,943,994	3,003,127
Other trading activities	4	116,654	-	116,654	68,522
Investment income	5	<u>2,765</u>	<u>-</u>	<u>2,765</u>	<u>2,236</u>
Total		127,839	2,894,148	3,084,336	3,118,153
EXPENDITURE ON					
Raising funds	7	8,155	-	8,155	9,281
Charitable activities					
Academy's educational operations		<u>56,633</u>	<u>2,998,049</u>	<u>3,231,110</u>	<u>3,035,199</u>
Total	6	64,788	2,998,049	3,239,265	3,044,480
NET INCOME/(EXPENDITURE)		63,051	(103,901)	(154,929)	73,673
Transfers between funds	19	-	<u>(23,666)</u>	<u>23,666</u>	<u>-</u>
Other recognised gains/(losses)					
Actuarial gains/losses on defined benefit schemes		-	<u>(489,000)</u>	<u>(489,000)</u>	<u>196,000</u>
Net movement in funds		63,051	(616,567)	(643,929)	269,673
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>187,475</u>	<u>35,056</u>	<u>6,787,233</u>	<u>6,517,560</u>
TOTAL FUNDS CARRIED FORWARD		<u>250,526</u>	<u>(581,511)</u>	<u>6,143,304</u>	<u>6,787,233</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Balance Sheet
At 31st August 2019

				2019	2018	
		Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds	Total funds	Total funds
Notes	£	£	£	£	£	£
FIXED ASSETS						
Tangible assets	13			6,474,289	6,474,289	6,495,366
CURRENT ASSETS						
Stocks	14	4,738			4,738	5,087
Debtors	15	80,685			80,685	163,048
Cash at bank and in hand		<u>165,103</u>	<u>1,082,813</u>		<u>1,247,916</u>	<u>1,366,469</u>
		250,526	1,082,813		1,333,339	1,534,604
CREDITORS						
Amounts falling due within one year	16		(273,324)		(273,324)	(430,737)
NET CURRENT ASSETS						
		<u>250,526</u>	<u>809,489</u>		<u>1,060,015</u>	<u>1,103,867</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		250,526	809,489	6,474,289	7,534,304	7,599,233
PENSION LIABILITY	20		(1,391,000)		(1,391,000)	(812,000)
NET ASSETS						
		<u>250,526</u>	<u>(581,511)</u>	<u>6,474,289</u>	<u>6,143,304</u>	<u>6,787,233</u>

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**


Balance Sheet - continued

At 31st August 2019

	2019	2018
	Total funds	Total funds
	£	£
FUNDS		
Unrestricted funds:		
General fund	250,526	187,475
Restricted funds:		
General Annual Grant (GAG)	727,594	817,837
Fixed Assets transferred on conversion	5,637,641	5,749,690
Pension Fund	(1,391,000)	(812,000)
Trip Income	19,595	29,219
Fixed assets purchased from GAG and other restricted funds	458,130	478,437
DFE/ESFA Capital grants	63,503	1,661
Other ESFA grants	315,015	334,914
Conversion Grant	62,300	
	<u>5,892,778</u>	<u>6,599,758</u>
TOTAL FUNDS	<u>6,143,304</u>	<u>6,787,233</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies' subject to the small companies regime.

The financial statements were approved by the Board of Trustees on Wednesday 4th December 2020 and were signed on its behalf by:


Trustee **C BANKS**

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Cash Flow Statement
for the Year Ended 31st August 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	(29,180)	561,349
Tax paid		<u>63,213</u>	<u>(72,288)</u>
Net cash provided by (used in) operating activities		<u>34,033</u>	<u>489,061</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(155,351)	(445,195)
Interest received		<u>2,765</u>	<u>2,236</u>
Net cash provided by (used in) investing activities		<u>(152,586)</u>	<u>(442,959)</u>
Change in cash and cash equivalents in the reporting period		<u>(118,553)</u>	<u>46,102</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>1,366,469</u>	<u>1,320,367</u>
Cash and cash equivalents at the end of the reporting period	2	<u>1,247,916</u>	<u>1,366,469</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Cash Flow Statement
for the Year Ended 31st August 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(154,929)	73,673
Adjustments for:		
Depreciation	176,428	171,090
Interest received	(2,765)	(2,236)
Defined benefit pension scheme cost	77,000	82,000
Defined benefit pension scheme interest	13,000	21,000
Decrease/(increase) in stocks	349	(684)
Decrease in debtors	19,150	12,715
(Decrease)/increase in creditors	(157,413)	203,791
Net cash provided by (used in) operating activities	(29,180)	561,349

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at Bank	<u>1,247,916</u>	<u>1,366,469</u>
Total cash and cash equivalents	<u>1,247,916</u>	<u>1,366,469</u>

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements
for the Year Ended 31st August 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Endeavour Schools Trust Ltd meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees assess whether the use of going concern is appropriate whether there are any material uncertainties related to events or conditions that might cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

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 19, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Critical areas of judgement:

The academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance sheet.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

1. ACCOUNTING POLICIES - continued

Income

All the income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

charity

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purpose but not expended during the period is shown in the relevant funds on the Balanced Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income.

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the good's have been provided or on completion of the service.

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 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.

Expenditure on raising funds, includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising events and non-charitable trading

Expenditure on charitable activities are costs incurred on the Academy's educational operations, including support costs and those relating to the governance of the Academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable Vat.

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long term Leasehold Property and Land	- 50 & 125 years straight line
Fixtures and fittings	- 5 - 10 years straight line
Motor vehicles	- 4 - 7 years straight line
Computer equipment	- 3 - 10 years straight line

All assets costing more than £2,000 are capitalised and carried at cost, net of depreciation and any provision for impairment.

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

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 a fixed asset and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in nonconvertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The Academy is a charitable company for UK corporation tax purposes charity

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives 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 assets acquired or created is held for a specific purpose.

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

Pensions

Retirement benefits to employees of the academy trust are provided by 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 the pensions over employee's lives with the Academy 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 control method. As stated in note 19, 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 recognized in the period to which they relate.

The LP'S is a funded scheme and the assets are held from those of the academy 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 current service costs and costs of the scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred, Net interest on the defined benefit liability/assets 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 gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses in the Statement of financial activities.

2. DONATIONS AND CAPITAL GRANTS

	2019	2018
	£	£
Donations	<u>20,923</u>	<u>44,268</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
General Annual Grant		2,428,268	2,428,268	2,542,095
Other DfE/ESFA Grants		415,863	415,863	283,483
Other government grants non capital		8,487	8,487	2,000
High needs funding		29,027	29,027	16,029
Capital Grants		62,349	62,349	159,520
		<u>2,943,994</u>	<u>2,943,994</u>	<u>3,003,127</u>

An analysis of grants received is given below:

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
DfE/ESFA revenue grant				
General Annual Grant(GAG)		<u>2,428,268</u>	<u>2,428,268</u>	<u>2,542,095</u>

4. OTHER TRADING ACTIVITIES

	2019 £	2018 £
Catering	22,877	24,529
Other		388
Lettings	6,363	7,862
Other	<u>87,414</u>	<u>35,743</u>
	<u>116,654</u>	<u>68,522</u>

5. INVESTMENT INCOME

	2019 £	2018 £
Bank interest	<u>2,765</u>	<u>2,236</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

6. EXPENDITURE

				2019	2018
	Staff costs	Non-pay expenditure			
	£	Premises	Other costs	Total	Total
	£	£	£	£	£
Raising funds					
Costs of fundraising					
Direct costs			8,155	8,155	9,281
Charitable activities					
Academies educational operations					
Direct costs	2,041,270	320,749	122,891	2,484,910	2,340,310
Allocated support costs	436,753	43,687	265,760	746,200	694,889
	<u>2,478,023</u>	<u>364,436</u>	<u>396,806</u>	<u>3,239,265</u>	<u>3,044,480</u>

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	176,428	171,090
Auditors remuneration- audit	7,050	9,330
Auditors remuneration- other services	1,550	2,050
Operating lease rentals	<u>3,781</u>	<u>5,001</u>

7. RAISING FUNDS

Costs of fundraising

	2019	2018
	£	£
Direct costs	<u>8,155</u>	<u>9,281</u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
Direct costs	1	2,484,909	2,484,910	2,340,310
Support costs	<u>56,633</u>	<u>689,567</u>	<u>746,200</u>	<u>694,889</u>
	<u>56,634</u>	<u>3,174,476</u>	<u>3,231,110</u>	<u>3,035,199</u>

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2019 Total £	2018 Total £
Analysis of support costs		
Support staff costs	436,753	394,130
Rent and rates	10,082	
Premises costs	43,687	
Other support costs	<u>255,678</u>	<u>204,228</u>
Total support costs	<u>746,200</u>	<u>598,358</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st August 2019 nor for the year ended 31st August 2018.

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration in the year was as follows; N Wright: remuneration £75,000 - £80,000 (2018: £50,000 - £55,000), employer's pension contributions £10,000 - £15,000 (2018: £5,000 - £10,000).

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows:

During the year, no trustees received any benefits in kind (2018: £NIL).

During the year ended 31 August 2019, expenses totalling £154 (2018: £265) were reimbursed to 3 Trustees (2018: 5 Trustees)

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

10. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	1,932,871	1,799,507
Social security costs	151,794	143,925
Operating costs of defined benefit pension schemes	393,358	392,050
	<u>2,478,023</u>	<u>2,335,482</u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2019	2018
Teachers	26	28
Administration and Support	40	36
Management	<u>6</u>	<u>5</u>
	<u>72</u>	<u>69</u>

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

	2019	2018
£60,001 - £70,000	1	1
£70,001 - £80,000	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

The key management personnel of the Academy Trust comprise of the trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £335,185 (2018: £589,847).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee.

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 SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £
INCOME AND ENDOWMENTS				
FROM				
Donations and capital grants	12,763	31,505		44,268
Charitable activities				
Funding for the academy's educational operations		2,843,607	159,520	3,003,127
Other trading activities	68,522			68,522
Investment income	2,236			2,236
Total	83,521	2,875,112	159,520	3,118,153
EXPENDITURE ON				
Raising funds	9,281			9,281
Charitable activities				
Academy's educational operations	127,267	2,736,842	171,090	3,035,199
Total	136,548	2,736,842	171,090	3,044,480
NET INCOME/(EXPENDITURE)	(53,027)	138,270	(11,570)	73,673
Transfers between funds		(355,011)	355,011	
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes		196,000		196,000
Net movement in funds	(53,027)	(20,741)	343,441	269,673
RECONCILIATION OF FUNDS				
Total funds brought forward	240,502	55,797	6,221,261	6,517,560
TOTAL FUNDS CARRIED FORWARD	187,475	35,056	6,564,702	6,787,233

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

13. TANGIBLE FIXED ASSETS

	Long term Leasehold Property and Land £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1st September 2018	6,730,858	449,595	10,196	167,330	7,357,979
Additions	<u>136,688</u>	<u>9,517</u>		<u>9,146</u>	<u>155,351</u>
At 31st August 2019	<u>6,867,546</u>	<u>459,112</u>	<u>10,196</u>	<u>176,476</u>	<u>7,513,330</u>
DEPRECIATION					
At 1st September 2018	563,322	149,001	9,097	141,193	862,613
Charge for year	<u>109,760</u>	<u>46,262</u>	<u>507</u>	<u>19,899</u>	<u>176,428</u>
At 31st August 2019	<u>673,082</u>	<u>195,263</u>	<u>9,604</u>	<u>161,092</u>	<u>1,039,041</u>
NET BOOK VALUE					
At 31st August 2019	<u>6,194,464</u>	<u>263,849</u>	<u>592</u>	<u>15,384</u>	<u>6,474,289</u>
At 31st August 2018	<u>6,167,536</u>	<u>300,594</u>	<u>1,099</u>	<u>26,137</u>	<u>6,495,366</u>

14. STOCKS

	2019 £	2018 £
Stocks	<u>4,738</u>	<u>5,087</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	3,455	5,747
VAT recoverable	26,287	89,500
Prepayments	<u>50,943</u>	<u>67,801</u>
	<u>80,685</u>	<u>163,048</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	42,333	160,778
Social security and other taxes	37,489	34,259
Other creditors	36,492	35,607
Accrued expenses	<u>157,010</u>	<u>200,093</u>
	<u>273,324</u>	<u>430,737</u>
DEFERRED INCOME	2019	2018
	£	£
Deferred Income at 1 September 2018	83,556	84,315
Resources Deferred during the year	83,279	83,556
Amounts Released from previous years	<u>(83,556)</u>	<u>(84,315)</u>
Deferred Income at 31 August 2019	<u>83,279</u>	<u>83,556</u>

At the year end, £73,672 has been deferred in terms of Universal Free School Meals, £6,733 in respect of the trip income received in advance, and £2,874 respect of catering income received in advance.

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	3,781	3,696
Between one and five years	<u>1,472</u>	<u>1,571</u>
	<u>5,253</u>	<u>5,267</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

18. MOVEMENT IN FUNDS

	At 1/9/18 £	Net movement in funds £	Transfers between funds £	At 31/8/19 £
Unrestricted funds				
General fund	187,475	63,051		250,526
Restricted funds				
General Annual Grant (GAG)	817,837	(66,577)	(23,666)	727,594
Fixed Assets transferred on conversion	5,749,690	(112,049)		5,637,641
Pension Fund	(812,000)	(579,000)		(1,391,000)
Trip Income	29,219	(9,624)		19,595
Fixed assets purchased from GAG and other restricted funds	478,437	(43,973)	23,666	458,130
DFE/ESFA Capital grants	1,661	61,842		63,503
Other ESFA grants	334,914	(19,899)		315,015
Conversion Grant		62,300		62,300
	6,599,758	(706,980)		5,892,778
TOTAL FUNDS	6,787,233	(643,929)		6,143,304

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	127,839	(64,788)		63,051
Restricted funds				
General Annual Grant (GAG)	2,784,270	(2,850,847)		(66,577)
Trip Income	39,878	(49,502)		(9,624)
DFE/ESFA Capital grants	62,349	(507)		61,842
Other ESFA grants	-	(19,899)		(19,899)
Conversion Grant	70,000	(7,700)		62,300
Fixed Assets transferred on conversion	-	(112,049)		(112,049)
Pension Fund	-	(90,000)	(489,000)	(579,000)
Fixed assets purchased from GAG and other restricted funds	-	(43,973)		(43,973)
	2,956,497	(3,174,477)	(489,000)	(706,980)
TOTAL FUNDS	3,084,336	(3,239,265)	(489,000)	(643,929)

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/9/17 £	Net movement in funds £	Transfers between funds £	At 31/8/18 £
Unrestricted Funds				
General fund	240,502	(53,027)		187,475
Restricted Funds				
General Annual Grant (GAG)	881,733	291,115	(355,011)	817,837
Fixed Assets transferred on conversion	5,847,422	(97,732)		5,749,690
Pension Fund	(905,000)	93,000		(812,000)
Growth Fund	50,400	(50,400)		
Trip Income	28,664	555		29,219
Fixed assets purchased from GAG and other restricted funds	184,308	(60,882)	355,011	478,437
DFE/ESFA Capital grants	3,698	(2,037)		1,661
Other ESFA grants	<u>185,833</u>	<u>149,081</u>		<u>334,914</u>
	<u>6,277,058</u>	<u>322,700</u>		<u>6,599,758</u>
TOTAL FUNDS	<u><u>6,517,560</u></u>	<u><u>269,673</u></u>		<u><u>6,787,233</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	83,521	(136,548)		(53,027)
Restricted funds				
General Annual Grant (GAG)	2,843,607	(2,552,492)		291,115
Trip Income	31,505	(30,950)		555
Other ESFA grants	159,520	(10,439)		149,081
Fixed Assets transferred on conversion		(97,732)		(97,732)
Pension Fund		(103,000)	196,000	93,000
Growth Fund		(50,400)		(50,400)
Fixed assets purchased from GAG and other restricted funds		(60,882)		(60,882)
DFE/ESFA Capital grants		(2,037)		(2,037)
	<u>3,034,632</u>	<u>(2,907,932)</u>	<u>196,000</u>	<u>322,700</u>
TOTAL FUNDS	<u><u>3,118,153</u></u>	<u><u>(3,044,480)</u></u>	<u><u>196,000</u></u>	<u><u>269,673</u></u>

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

18. MOVEMENT IN FUNDS - continued

RESTRICTED FUNDS

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs. During the year £23,666 (2018:£355,011) was transferred to the restricted fixed asset fund to represent fixed asset purchases from GAG.

Other Grants - income which has been received for specific purposes.

Pension Reserve - This represents the academy's share of the assets & liabilities in the Local Government Pension Scheme.

Trip Income - Income received from parents as donations towards school trips for pupils.

RESTRICTED FIXED ASSETS FUNDS

Fixed Assets transferred on conversion - This represents the buildings and equipment donated to the school from the local authority on conversion to an academy.

Fixed Asset purchased from GAG - This represents capital assets that have been purchased out of restricted GAG funding.

DfE/ ESFA Capital Grants - These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Other ESFA Grants - This represents funding from the ESFA to cover maintenance and purchase of the schools assets and improve the learning environment in which academies operate.

Under the funding agreement with the secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019

ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2019	Restricted Funds 2019	Restricted Fixed Asset Funds 2019	Total Funds 2019
Tangible Fixed Assets	-	-	6,474,289	6,474,289
Current Assets	250,526	1,082,813	-	1,333,339
Creditors due within one year	-	(273,324)	-	(273,324)
Pension Scheme Liability	-	(1,391,000)	-	(1,391,000)
Total	250,526	(581,511)	6,474,289	6,143,304

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

18. MOVEMENT IN FUNDS - continued

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted Funds 2018	Restricted Funds 2018	Restricted Fixed Asset Funds 2018	Total Funds 2018
Tangible Fixed Assets			6,495,366	6,495,366
Current Assets	187,475	1,064,394	282,735	1,534,604
Creditors due within one year		(217,338)	(213,399)	(430,737)
Pension Scheme Liability		(812,000)		(812,000)
Total	187,475	35,056	6,564,702	6,787,233

19. PENSION AND SIMILAR OBLIGATIONS

Teachers' pension scheme

Introduction

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

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

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ENDEAVOUR SCHOOLS TRUST LTD

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

**19. PENSION AND SIMILAR OBLIGATIONS
- continued**

Valuation of the Teachers' Pension Scheme

The Government Actuary, using nominal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the department for Education on 9 June 2014. The key elements of the valuation and subsequent consultations are:

- employer contributions rates set at 16.48% of pensionable pay, including a 0.08% employer charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £11,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £192,281 (2018: £189,460)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £174,000 (2018: 154,000), of which employer's contributions totalled £136,000 (2018: £121,000) and employees' contributions totalled £38,000 (2018: £33,000). The agreed contribution rates for the future years are 13.8% for employers and 5.7% for employees.

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

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

19. PENSION AND SIMILAR OBLIGATIONS
- continued

Local government pension scheme

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Present value of funded obligations	(2,523,000)	(1,742,000)
Fair value of plan assets	<u>1,132,000</u>	<u>930,000</u>
	<u>(1,391,000)</u>	<u>(812,000)</u>
Deficit	<u>(1,391,000)</u>	<u>(812,000)</u>
Liability	<u>(1,391,000)</u>	<u>(812,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	203,000	203,000
Net interest from net defined benefit asset/liability	<u>49,000</u>	<u>39,000</u>
	<u>252,000</u>	<u>242,000</u>
Actual return on plan assets	<u>44,000</u>	<u>54,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Defined benefit obligation	1,742,000	1,687,000
Current service cost	203,000	203,000
Contributions by scheme participants	38,000	33,000
Interest cost	49,000	39,000
Actuarial losses/(gains)	504,000	(162,000)
Benefits paid	<u>(13,000)</u>	<u>(58,000)</u>
	<u>2,523,000</u>	<u>1,742,000</u>

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2019

19. PENSION AND SIMILAR OBLIGATIONS
- continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Fair value of scheme assets	930,000	782,000
Interest income	29,000	20,000
Contributions by employer	136,000	121,000
Contributions by scheme participants	38,000	33,000
Administration expenses	(3,000)	(2,000)
Actuarial gains/(losses)	15,000	34,000
Benefits paid	(13,000)	(58,000)
	<u>1,132,000</u>	<u>930,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Actuarial gains/(losses)	<u>489,000</u>	<u>(196,000)</u>
	<u>489,000</u>	<u>(196,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
Equities	71%	77%
Government bonds	7%	8%
Cash and other liquid assets	3%	2%
Other Bonds	5%	5%
Other	8%	3%
Property	6%	5%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2019	2018
Discount rate	1.8%	2.8%
Future salary increases	3.6%	3.6%
Future pension increases	2.2%	2.2%
Proportion of employees opting for early22.8	25.1%	24.9%
Proportion of employees retiring in 20 years	22.8%	22.7%
Inflation assumption (CPI)	2.1%	2.1%

**ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2019**

20. CAPITAL COMMITMENTS

	2019	2018
	£	£
Contracted but not provided for in the financial statements	<u>88,533</u>	<u>180,313</u>

21. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local and public sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related transactions took place in the year ended 31 August 2019 (2018: Nil), other than certain trustees remuneration already disclosed in note 10.

22. FINANCIAL INSTRUMENTS

Carrying amount of financial assets

Debt instruments measured at amortised cost 2019 £1,265,902 (2018 £1,413,601)

Carrying amount of financial liabilities

Measured at amortised cost 2019 £235,748 (2018 £395,838)

23. 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 the liabilities contracted before he/she ceases to be a member.

24. GENERAL INFORMATION

Endeavour Schools Trust Ltd is a private company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Tennyson Road, Headless Cross, Redditch, Worcestershire, B97 5BL.

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Detailed Statement of Financial Activities
for the Year Ended 31st August 2019

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and capital grants		
Donations	20,923	44,268
Other trading activities		
Catering	22,877	24,529
Other		388
Lettings	6,363	7,862
Other	87,414	35,743
	<u>116,654</u>	<u>68,522</u>
Investment income		
Bank interest	2,765	2,236
Charitable activities		
General Annual Grant	2,428,268	2,542,095
Other DFE/ESFA Grants	415,863	283,483
Other government grants non capital	8,487	2,000
High needs funding	29,027	16,029
Capital Grants	62,349	159,520
	<u>2,943,994</u>	<u>3,003,127</u>
Total incoming resources	3,084,336	3,118,153
EXPENDITURE		
Costs of fundraising		
Direct costs	8,155	9,281
Charitable activities		
Wages and salaries	1,599,719	1,515,701
National insurance	136,705	131,706
Pension costs	304,846	293,945
Educational supplies	36,331	41,716
Staff development	26,244	24,488
Other costs	62,118	42,681
Technology costs	11,758	12,588
Educational consultancy	74,538	67,439
Pension finance costs	15,000	14,070
Supply teachers	41,223	24,886
Carried forward	2,308,482	2,169,220

ENDEAVOUR SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

Detailed Statement of Financial Activities
for the Year Ended 31st August 2019

	2019	2018
	£	£
Charitable activities		
Brought forward	2,308,482	2,169,220
Depreciation	<u>176,428</u>	<u>171,090</u>
	2,484,910	2,340,310
Support costs		
Management		
Wages and salaries	333,152	283,806
National insurance	15,089	12,219
Pensions cost	88,512	98,105
Rent and rates	10,082	16,155
Recruitment and support	18,900	37,100
Energy costs	25,204	23,106
Office overheads	17,637	19,505
Security	846	665
Maintenance of premises and equipment	40,840	45,293
Other costs	18,352	469
Cleaning	12,857	13,324
Catering	56,593	59,707
Legal and professional	59,443	45,282
Technology costs	25,563	20,044
Governance	12,727	11,434
Pension finance costs	8,000	6,930
Bank charges	<u>2,403</u>	<u>1,745</u>
	<u>746,200</u>	<u>694,889</u>
Total resources expended	3,239,265	3,044,480
Net (expenditure)/income	<u>(154,929)</u>	<u>73,673</u>

