

Company Registration Number: 07682332 (England & Wales)

Endeavour MAT

(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2020

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 11
Governance Statement	12 - 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditors' Report on the Financial Statements	18 - 21
Independent Reporting Accountant's Report on Regularity	22 - 23
Statement of Financial Activities Incorporating Income and Expenditure Account	24
Balance Sheet	25
Statement of Cash Flows	26
Notes to the Financial Statements	27 - 57

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Reference and Administrative Details

Members	Horgan, J Brown, M Capper, S (appointed 20 January 2020) Clark, B (appointed 16 March 2020) Hammond, P (appointed 24 January 2020) McGonigle, M (resigned 19 January 2020) Mitchell, L (resigned 24 January 2020) O'Connor, J (resigned 15 March 2020)
Trustees	Horgan, J, Chair of Trustees ¹ Daniels, S, Vice Chair ¹ Clark, P (resigned 22 January 2020) ¹ Connell, D Kemsley, S Lodge, D, Chief Executive Officer and Accounting Officer Maidment, G Mavin, Y (resigned 14 September 2019) ¹ McGonigle, M (appointed 20 January 2020) ¹ Strachan, D, Chair of Finance & Audit Committee ¹
	¹ Finance & Audit Committee
Company registered number	07682332
Company name	Endeavour MAT
Principal and registered office	Wilmington Grange Parsons Lane Wilmington Dartford Kent DA2 7BB
Chief Executive Officer	Lodge, D

ENDEAVOUR MAT

(A Company Limited by Guarantee)

Reference and Administrative Details

For the year ended 31 August 2020

Senior Management Team

Executive Team:

Lodge, D, Chief Executive Officer

Burchett, L, Chief Operating Officer

Price, J, Director of Data & Information

Guess, B, HR Manager

Evans, S, Director of School Improvement & North West Kent Teaching School Alliance

Skipp, M, Head of IT

Gosney, C (resigned 18 November 2020), Head of Premises & Estates

O' Halloran, D (appointed 19 October 2020), Head of Premises & Estates

School Based:

Lawson, M, Head Teacher

Barnett, G, Head Teacher

Guthrie, C, Head Teacher

Independent auditors

Kreston Reeves LLP

Statutory Auditor

Chartered Accountants

37 St Margaret's Street

Canterbury

Kent

CT1 2TU

Bankers

Lloyds Bank Plc

78 New Road

Gravesend

Kent

DA11 0AR

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report
For the year ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates three secondary schools (two selective and one non-selective) in South East England, providing high quality state education with a combined pupil role of 2,245 in the Autumn school census 2020.

Structure, Governance and Management

Constitution

The 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 Trust. The Trustees of Endeavour MAT are also the directors of the charitable company for the purposes of company law.

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

Members' Liability

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

Trustees' Indemnities

Under the Companies Act 2016 s236 the directors confirm that there are no third-party indemnity provision in operation.

Method of Recruitment and Appointment or Election of Trustees

In accordance with the Articles of Association, the Trustees of the charitable company are appointed as follows;

- a) member appointed Trustees (maximum 9);
- b) parent Trustees (minimum 2, if parent Trustees are not present on Local Governing Bodies);
- c) co-opted Trustees appointed by the Trustees;
- d) the Chief Executive Officer, provided they so agree.

There shall be a minimum of three Trustees and the total number of Trustees who are employees of the company shall not exceed one third of the total number of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees have access to a suite of on-line resources, in addition to face to face training opportunities. The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All Trustees are provided with the information needed (including policies, minutes, budgets, etc.) to undertake their role as Trustees. Each trustee is provided with a secure log-in to the Trust's system for access to all policies, codes of practice and meeting papers.

ENDEAVOUR MAT

(A Company Limited by Guarantee)

Trustees' Report (continued)

For the year ended 31 August 2020

Organisational Structure

The Board of Trustees comprises those persons appointed under the Articles of Association. The Board meets six times a year and has one committee, Finance & Audit Committee.

The full board:

- Ensure the provisions of the Funding Agreement with the Secretary of State are followed
- Oversee aims and achievements of School Improvement Plans
- Review structure and delegation arrangements for each Local Governing Body
- Appointment the Chief Executive Officer
- Authorise purchases above £25,000 via the Finance & Audit Committee
- Review/appoint external auditors (subject to ratification by the members)
- Has oversight of educational standards and structure, admissions policy and related issues.

The Finance & Audit Committee has oversight of budget monitoring & compliance issues.

Chief Executive Officer

- Manages whole Trust strategic planning in conjunction with the Executive Team, Trustees and Local Governing Bodies
- Has oversight of all aspects of school development and the curriculum
- Ensures the provisions of the Funding Agreement with the Secretary of State are being followed
- Reviews actual income and expenditure against approved budget

The Executive Team:

Management of the Trust as a whole is undertaken by the Chief Executive Officer as part of the Trust Executive Team. The Chief Executive Officer is the Accounting Officer and the Chief Operating Officer is the Chief Financial Officer.

School Senior Leadership Teams:

Each school has a Senior Leadership Team (SLT) that is made up of: Head Teacher, Deputy Head, Assistant Head Teachers, a School Business Manager and others as relevant. Each member of SLT attends the relevant meetings of the corresponding Local Governing Body in areas where they hold a key responsibility to enable effective monitoring. Day to day management of each school is undertaken by the Head Teacher, supported by the relevant Senior Leadership Team.

All committees and Local Governing Bodies are formally constituted with terms of reference and comprise appropriately qualified and experienced members. Trustees delegate specific responsibilities to committees including Local Governing Bodies, the activities of which are reported to and discussed at full board meetings.

Arrangements for setting pay and remuneration of key management personnel

The Executive Team and Head Teachers are the key management personnel of the Trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as Trustees. Where staff Trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are Trustees is set out within the notes to the accounts.

The pay of the Chief Executive Officer is set annually by the Trust Pay Committee, having regard to performance against objectives set the previous year and following input from an independent consultant. Pay of other Executive Team members and Head Teachers is also set by the Trust Pay Committee, again having regard to performance against previously agreed objectives and any recommendations made by the Chief Executive Officer and Chief Operating Officer.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1%-50%	1
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£1.2k
Provide the total pay bill	£8,484k
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) ×100	0.014%

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

During the year Endeavour MAT worked closely with the Parent Teacher Association/ Parents and Friends Association at each of its schools and had no other connected charities or organisations but had the following related party transactions:

- Provision of music lessons at one of the Trust's schools by a family member of the Head Teacher for the period September 2019 to March 2020.
- Provision of a series of mindfulness sessions/ resources by a family member of a member of the SLT of one of the Trust's school's.
- Provision of Initial Teacher Training induction by Gravesham Excellence Cluster Limited (which has a Trustee in common with Endeavour MAT).

All of the above transactions have been appropriately disclosed to the ESFA, with no action or follow up required.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

Objectives and Activities

Objectives and Aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of schools in the Dartford area, the aim being to provide the highest possible standard of education and pastoral care, in order to maximise the life-chances of its students.

Objectives, Strategies and Activities

The Trust's strategic objectives are to ensure our schools offer:

- A destination driven focus supported by industry and HE;
- Exemplary student outcomes, with progress in terms of value added always within the top 20% nationally;
- A financially strong organisation with a learning environment and infrastructure designed to generate the greatest impact;
- Robust governance structures offering the necessary degree of support and challenge to maintain exceptional performance across the Trust;
- Exceptional training and tailored CPD to reduce recruitment and retention issues and generate an expert workforce with clear succession planning; and
- A safe, nurturing, inspirational and competitive environment where everyone feels valued amidst a climate of respect.

Public Benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

All three of the Trust's schools serve pupils in and around the Dartford area of Kent and participate in the County's admissions process with two of the schools accepting pupils on the basis of selection and the third on a non-selective basis in accordance with their specific published admissions criteria.

Strategic Report

Achievements and Performance

	Wilmington Grammar School for Girls	Wilmington Grammar School for Boys
Ofsted rating	Outstanding	Good
Year 11 GCSE Results		
Percentage of grades 9 - 7	57%	47%
Attainment 8	69.41	67.1
Progress 8 (predicted)	0.65	0.5
Year 13 A Level Results		
Percentage of grades A* - B	65%	58%
L3VA (predicted)	0.21	0

COVID-19 represented a new and significant challenge to both day to day school operation and formal assessment in summer 2020. While the Trust was fortunate enough to be in a position to transition to remote learning and teaching relatively swiftly with the resources at its disposal, there has nevertheless been a need to compromise and adapt to deliverable rather than ideal pedagogic methods.

Stone Lodge School opened in September 2019 with an inaugural cohort of 120 Year 7 pupils. End of year examinations taken indicate strong progress had been made by pupils during the year, despite the adversities of the restrictions on school attendance due to COVID-19 between March and July.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

Key Financial Performance Indicators

	Wilmington Grammar School for Girls		Wilmington Grammar School for Boys		Stone Lodge School	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Expenditure Indicators						
Teaching Staff costs as a percentage of total expenditure	63.4%	53.2 - 62.4%	61.2%	53.2 - 62.4%	50.8%	48.8 - 59.3%
Education Support Staff costs as a percentage of total expenditure	5.2%	6.4 - 9.7%	8.9%	6.4 - 9.7%	5.4%	≤10.3%
Administrative and Clerical Staff costs as a percentage of total expenditure	8.1%	≤9.1%	8.3%	≤9.1%	11.3%	≤9.3%
Premises costs (inc. staffing) as a percentage of total expenditure	5.4%	≤7.6%	4.8%	≤7.6%	5.5%	≤14.1%
Energy costs as a percentage of total expenditure	1.4%	≤1.9%	1.4%	≤1.9%	1.3%	≤1.9%
Balances						
In-year balances as a percentage of total income	2.7%	≥0.0%	2.0%	≥0.0%	6.7%	≥0.0%
Characteristics						
Pupil to teacher ratio	17	16.1 - 18.5	18	16.1 - 18.5	19	14.2 - 16.5
Senior leaders as a percentage of the workforce	7.5%	5.6 - 7.3%	8.5%	5.6 - 7.3%	25.0%	5.0 - 7.7%

With Central Team cost reflected pro-rata based on student numbers within each constituent school and benchmarking data has been taken from the DfE School Resource Management Self-Assessment Tool, October 2020 and represents RAG rated "green" category ranges for similar schools in the South East.

Benchmarking for Stone Lodge School is based on the full capacity the school will have in six years time as an indicator, but noting that with only one year group in 2019/20 some of the above metrics are not well suited to the start up year where economies of scale in staffing terms within the school are not all possible.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

Going concern

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

The financial impact of COVID19 during 2019/20 on Endeavour MAT has been a substantially increased surplus outturn above that which would otherwise have been expected. This is the result of savings due to the closure or partial closure of schools impacting the final five months of the year. Although there are financial uncertainties related to additional costs of ongoing operation under control measures due to COVID19, the retained surplus and prudent allocation of an in year contingency within budget means that this is not considered to pose a risk to the wider going concern of the Trust.

Financial Review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may also provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from a Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as "Other Government Grants". Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others in relation to the use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuary.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

The following balances were held at 31 August:

Fund	Category	£'000 2020	£'000 2019
GAG	Restricted General Funds	1,202	896
Other Grants	Restricted General Funds	66	92
Other Income	Restricted General Funds	192	187
<i>Sub-total General Restricted Funds</i>		<i>1,460</i>	<i>1,175</i>
Unspent Capital Grants	Restricted Fixed Asset Fund	1,914	1,841
Other Income	Unrestricted General Fund	488	476
<i>Sub-total Spendable Funds</i>		<i>3,862</i>	<i>3,492</i>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	30,675	30,826
CIF Loans	Restricted Fixed Asset Fund	(25)	(30)
Share of LGPS Deficit	Restricted Pension Reserve	(4,412)	(3,056)
Total All Funds		30,101	31,232

During the year under review there was a surplus of £285k (2019: £239k) on general restricted funds, a surplus of £12k (2019: £28k) on unrestricted funds and, after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall deficit of £98k (2019: £300k deficit).

The Trust has been working with Kent County Council on a long running capital project at Wilmington Grammar School for Girls which will see £1.6m of the unspent capital funds at year end passported to them in contribution to the project which achieved practical completion in late September 2020. This will significantly reduce the Trust's level of unspent capital grants, which have remained high in recent years as a result of this project.

2019/20 saw the Trust open Stone Lodge School. This has been funded by the Free Schools programme and is reflected in the Trusts closing financial position in increased income, expenditure and reserves, with the school establishing a modest but beneficial reserve from its in-year surplus. In future years the Trust will receive a freehold transfer from the Department for Education in respect of the new permanent school site and premises, but for 2019/20 the school has operated from a temporary site on a short lease. As pupil numbers at Stone Lodge School over the coming years grow (the school was oversubscribed for admission in September 2020) so will the turnover of the Trust.

Reserves Policy

Unspent GAG from previous financial years is carried forward in line with the Academies Financial Handbook.

Each year the Trustees review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

The level of reserves should never be in deficit and the annual budget should not plan for a large surplus of income over expenditure unless there is a particular project that requires accumulation of funds over a number of years. Trustees have set targets and guidelines for schools to set budgets with a prudent percentage contribution to reserves and a maximum per student that should be held in reserves in respect of any one school.

Trustees have established a policy for the pooling of reserves across the MAT, assessed and evaluated as at 31 August each year by which central funds can then be made available for organisation wide needs or individual schools as deemed necessary.

Investment Policy

There are no investments held beyond cash deposits retained with the major UK clearing bank approved by Trustees. Speculative investments are not permitted.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

Principal Risks and Uncertainties

The Board has assessed the risks under the following major headings, and systems or processes have been established to manage these risks and where significant financial risk still remains they have ensured they have adequate insurance cover: Finance, Governance, Legal, Operational, Safeguarding and Strategic.

The risk management process has been codified in a risk register, registers are maintained by each SLT as well as the Trust Head Office and consolidated into an organisation wide perspective.

The principal financial risk faced by the Trust is that on-going pressure on funding/ need to increase student numbers results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk. Trustees keep spendable reserves under review to ensure that they have sufficient income to run the Trust on an efficient basis without adversely affecting the quality of teaching and learning.

The Trust has been actively addressing the operational health and safety risks of COVID19 through robust risk assessment and control measures since March 2020 and continues to do so. Given the Trust's extremely limited dependence on non DfE / ESFA / public funding and prudent level of reserves there is comparatively limited scope for financial risks that have not already been planned for. Alongside this the Trust has prepared plans for remote learning to mitigate the risks to education in the event that schools are required to close/ partially close.

Other risks under active management address succession planning, recruitment and retention across the organisation and have seen proactive steps taken.

As the nature of the financial instruments dealt with by the Trust is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the Trust's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the Trust's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Fundraising

Endeavour MAT and its constituent schools organise fundraising events and appeals and work with our Parents & Friends Association and Parent Teacher Associations in their activities in the schools and in the wider community on behalf of the Trust.

The Trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year and inevitably, as a result of the pandemic, opportunities to undertake traditional fundraising activities were severely curtailed.

All fundraising is undertaken by the Trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, school blogs, our websites and via students.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2020

Plans for Future Periods

Endeavour MAT opened Stone Lodge School in September 2019 in temporary accommodation and will be working with the Department for Education over the next two years to deliver the permanent buildings and school site for September 2022. The Trust is keen to ensure the successful growth of Stone Lodge School and the sustained high standards of achievement at its established schools, but remains open to opportunities to grow the Trust sustainably through either future Free School or Presumptions School programmes or by closer working with other Trust's in the medium term.

Increased delays in administrative and government processes resulting from the wider disruption to working life as a result of COVID19 has had, and is likely to continue to have, an unquantifiable delaying effect on the development and progress on future plans.

Funds held as Custodian Trustee on behalf of others

The company does not hold any funds as custodian trustee on behalf of any third parties.

Political donations

The Trust has not made any political donations in the year.

Auditor

Insofar as the Trustees are aware:

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

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Members.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2020 and signed on its behalf by:

J Horgan
Chair of Trustees

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
Horgan, J (Chair)	7	7
Clark, P (resigned 22/01/2020)	2	3
Connell, D	6	7
Daniels, S	5	7
Kemsley, S	7	7
Lodge, D (Accounting Officer)	7	7
Maidment, G	4	7
Mavin, Y (resigned 14/09/2019)	0	0
McGonigle, M (appointed 20/01/2020)	4	4
Strachan, D	6	7

Governance reviews:

Early in the year the board of Trustees reviewed the operation of its governance structure and concluded that no significant changes were required at the present time but made a number of updates to the Scheme of Delegation and Terms of Reference to ensure ongoing compliance with requirements and good practice.

Each year the board of Trustees reviews its own performance and effectiveness, the balance of skills at its disposal and how best to ensure continuity of governance and leadership for the organisation in respect of key post holders and active succession planning is under way.

The board has also kept under consideration the format and content of data provided to it by the Executive Team and schools to inform decision making to ensure it remains robust and appropriate. This information is structured around accepted national metrics and standards and is independently audited/ validated where appropriate.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Finance and Audit Committee is a sub-committee of the main board of Trustees. Its purpose is to assist and support the board of Trustees, ensuring sound oversight is exercised over the management of the Trust's finance and resources. The Committee also performs the function of an Audit Committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Strachan, D (Chair)	3	3
Clark, P (resigned 22/01/2020)	1	1
Daniels, S	3	3
Horgan, J	2	3
Mavin, Y (resigned 14/09/2020)	0	0
McGonigle, M (appointed 20/01/2020)	2	2

D Lodge and L Burchett also attended all three meetings of the committee in their respective roles as Accounting Officer and Chief Financial Officer.

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- negotiation of a new Trust-wide contract with a new internet service provider, saving each school within the Trust £4k p.a as well as improving intra-Trust network communications;
- introduction of electronic payments to suppliers alongside the streamlining of purchasing and budget monitoring processes with the use of PS Purchasing; and
- in dealing with the sudden partial closure of schools in March 2020 due to COVID19 the Trust rationalised the resources needed to provide support for vulnerable and key worker's children by utilising one of its three sites and so reduced the overall cost of dealing with the initial pressures.

Future work in pursuit of improved value for money will focus on realising efficiencies and resource release to schools from further implementation of central services and solutions, including those from introduction of a new HR Management System and e-recruitment system.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 MAT for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Governance Statement (continued)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The 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 Trustees;
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed UHY Hacker Young to carry out a programme of internal control testing, reporting to the Finance and Audit Committee. The appointment comprises a series of three visits covering the year. The role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included:

- testing of payroll items, systems and procedures
- testing of payment authorisation, systems and processing
- testing of credit card transactions, authorisation and recording
- testing of bank and control account reconciliations
- testing of the recognition and recording of income
- review of monitoring and reporting on financial performance
- review of GDPR and network infrastructure security

On a termly basis, the reviewer reports to the board of Trustees, through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

During 2019/20 this programme of work has been delivered as planned with no material control issues arising as a result of the work undertaken.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Governance Statement (continued)

Review of effectiveness

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

- the programme of work on internal controls by UHY Hacker Young;
- the work of the external auditor;
- the financial management and governance assessment and the school resource management self-assessment;
- the work of the executive managers within the 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 and Audit Committee and a plan to address minor items and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on their behalf by:

Horgan, J
Chair of Trustees

Lodge, D
Accounting Officer

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

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

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

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

D Lodge
Accounting Officer
Date: 10 December 2020

ENDEAVOUR MAT

(A Company Limited by Guarantee)

Statement of Trustees' responsibilities For the year ended 31 August 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on its behalf by:

J Horgan
Chair of Trustees

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Endeavour MAT

Opinion

We have audited the financial statements of Endeavour MAT (the 'academy trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Endeavour MAT
(continued)

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 Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Endeavour MAT
(continued)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Endeavour MAT
(continued)

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior Statutory Auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

11 December 2020

ENDEAVOUR MAT
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 24 May 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Endeavour MAT during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Endeavour MAT's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Endeavour MAT's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed minutes of Governing Body minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to Endeavour MAT and the
Education & Skills Funding Agency (continued)**
Conclusion

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

Kreston Reeves LLP

Kreston Reeves LLP
Reporting Accountant

Date: 11 December 2020

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2020

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Income from:						
Donations and capital grants	4	-	53	396	449	212
Charitable activities	5	-	11,066	-	11,066	10,189
Teaching schools	33	-	40	-	40	65
Other trading activities	6	11	-	-	11	195
Investments	7	10	-	-	10	13
Total income		21	11,159	396	11,576	10,674
Expenditure on:						
Charitable activities	8	9	11,143	474	11,626	10,924
Teaching schools	33	-	48	-	48	50
Total expenditure		9	11,191	474	11,674	10,974
Net expenditure		12	(32)	(78)	(98)	(300)
Transfers between funds	19	-	(6)	6	-	-
Net movement in funds before other recognised gains/(losses)		12	(38)	(72)	(98)	(300)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(1,032)	-	(1,032)	(716)
Net movement in funds		12	(1,070)	(72)	(1,130)	(1,016)
Reconciliation of funds:						
Total funds brought forward		476	(1,881)	32,637	31,232	32,248
Net movement in funds		12	(1,070)	(72)	(1,130)	(1,016)
Total funds carried forward		488	(2,951)	32,565	30,102	31,232

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 57 form part of these financial statements.

ENDEAVOUR MAT
(A Company Limited by Guarantee)
Registered number: 07682332

Balance Sheet
As at 31 August 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	15	30,675	30,826
Current assets			
Debtors	16	656	1,380
Cash at bank and in hand		4,023	2,975
		<u>4,679</u>	<u>4,355</u>
Creditors: amounts falling due within one year	17	(822)	(868)
Net current assets		<u>3,857</u>	<u>3,487</u>
Total assets less current liabilities		<u>34,532</u>	<u>34,313</u>
Creditors: amounts falling due after more than one year	18	(19)	(25)
Net assets excluding pension liability		<u>34,513</u>	<u>34,288</u>
Defined benefit pension scheme liability	27	(4,412)	(3,056)
Total net assets		<u><u>30,101</u></u>	<u><u>31,232</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	32,565	32,637
Restricted income funds	19	1,460	1,175
Pension reserve	19	(4,412)	(3,056)
Total restricted funds	19	<u>29,613</u>	<u>30,756</u>
Unrestricted income funds	19	488	476
Total funds		<u><u>30,101</u></u>	<u><u>31,232</u></u>

The financial statements on pages 24 to 57 were approved by the Trustees, and authorised for issue on 10 December 2020 and are signed on their behalf, by:

J Horgan
Chair of Trustees

The notes on pages 27 to 57 form part of these financial statements.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Statement of Cash Flows
For the year ended 31 August 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	971	553
Cash flows from investing activities			
	23	83	(335)
Cash flows from financing activities			
	22	(6)	5
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		1,048	223
Cash and cash equivalents at the beginning of the year		2,975	2,752
Cash and cash equivalents at the end of the year	24, 25	4,023	2,975
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 27 to 57 from part of these financial statements

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

1. General information

Endeavour MAT is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Wilmington Grange Parsons Lane, Wilmington, Dartford, Kent, DA2 7BB. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

The financial statements are rounded to the nearest thousand.

The functional currency represented in the financial statements are in GBP.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. While the impact of the COVID-19 pandemic has been assessed by the Trustees as far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the Academy Trust's activities.

However, taking into consideration the UK Government's response and its continued support of schools, as well as the Academy Trust's own reserves and planning, the Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees confirm that there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the Financial Statements
For the year ended 31 August 2020

2. Accounting policies (continued)

2.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

• **Donated goods, facilities and services**

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

2. Accounting policies (continued)

2.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

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

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

2.7 Tangible fixed assets

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific 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.

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

The estimated useful lives are as follows:

Freehold property	- 50 - 75 years
Furniture and equipment	- 5 - 10 years
Computer equipment	- 3 - 5 years
Motor vehicles	- 5 years

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

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Provisions

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

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

2. Accounting policies (continued)

2.12 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

2. Accounting policies (continued)

2.15 Agency arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 31.

2.16 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the Financial Statements
For the year ended 31 August 2020

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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 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.

Multi-employer defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £30,675,000 at the reporting date (see note 15). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Critical areas of judgment:

Multi-employer defined benefit pension scheme

Certain employees participate in a teachers' pension multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 27 for further details.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

3. Critical accounting estimates and areas of judgment (continued)

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of equipment. The classification of these leases as either financial or operating leases requires the governors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

4. Income from donations and capital grants

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Donations	53	-	53
Capital grants	-	396	396
Total 2020	53	396	449
	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Donations	67	-	67
Capital grants	-	145	145
Total 2019	67	145	212

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

5. Funding for the Academy Trust's educational operations

	Restricted funds 2020 £000	Total funds 2020 £000
DfE / ESFA grants		
General annual grant (GAG)	9,493	9,493
Other DfE group grants	910	910
	<hr/> 10,403	<hr/> 10,403
Other government grants		
Local authority grants	182	182
Other funding		
Other incoming resources	481	481
	<hr/> 11,066	<hr/> 11,066
Total 2020	<hr/> 11,066	<hr/> 11,066

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
DfE/ESFA grants			
General annual grant (GAG)	-	8,611	8,611
Other DfE group grants	-	257	257
	<hr/> -	<hr/> 8,868	<hr/> 8,868
Other government grants			
Local authority grants	-	631	631
Other funding			
Other incoming resources	1	689	690
	<hr/> 1	<hr/> 10,188	<hr/> 10,189
Total 2019	<hr/> 1	<hr/> 10,188	<hr/> 10,189

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

6. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000
Hire of facilities	4	4
Catering income	7	7
	<u>11</u>	<u>11</u>

	Unrestricted funds 2019 £000	Total funds 2019 £000
Hire of facilities	6	6
Catering income	189	189
Total 2019	<u>195</u>	<u>195</u>

7. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000
Bank interest	<u>10</u>	<u>10</u>

	Unrestricted funds 2019 £000	Total funds 2019 £000
Bank interest	<u>13</u>	<u>13</u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

8. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000
Direct costs	7,308	-	1,131	8,439
Allocated support costs	1,743	578	866	3,187
Teaching school	40	-	8	48
	<u>9,091</u>	<u>578</u>	<u>2,005</u>	<u>11,674</u>

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000
Direct costs	6,433	-	1,203	7,636
Allocated support costs	1,692	582	1,014	3,288
Teaching school	-	-	50	50
	<u>8,125</u>	<u>582</u>	<u>2,267</u>	<u>10,974</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000
Educational operations	<u>8,439</u>	<u>3,187</u>	<u>11,626</u>

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000
Educational operations	<u>7,636</u>	<u>3,288</u>	<u>10,924</u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

Direct costs

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Staff costs	-	7,308	7,308
Technology costs	-	220	220
Educational supplies & services	3	266	269
Examination fees	-	176	176
Staff development	-	38	38
Other costs	-	428	428
	<hr/>	<hr/>	<hr/>
	3	8,436	8,439
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Restricted funds 2019 £000	Total funds 2019 £000
Staff costs	6,398	6,398
Technology costs	188	188
Educational supplies & services	256	256
Examination fees	200	200
Staff development	37	37
Other costs	557	557
	<hr/>	<hr/>
	7,636	7,636
	<hr/> <hr/>	<hr/> <hr/>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

Support costs

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Defined benefit pension scheme - finance costs	-	51	51
Support staff costs	-	1,743	1,743
Depreciation	-	474	474
Technology costs	-	42	42
Maintenance of premises and equipment	-	183	183
Cleaning	-	43	43
Energy	-	152	152
Rent, rates and other occupancy costs	-	174	174
Security	-	11	11
Insurance	-	35	35
Catering	6	24	30
Other support costs	-	167	167
Governance costs	-	82	82
	<u>6</u>	<u>3,181</u>	<u>3,187</u>
	<u><u>6</u></u>	<u><u>3,181</u></u>	<u><u>3,187</u></u>
	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Defined benefit pension scheme - finance costs	-	48	48
Support staff costs	51	1,642	1,693
Depreciation	-	471	471
Technology costs	1	84	85
Maintenance of premises and equipment	1	288	289
Cleaning	1	20	21
Energy	-	150	150
Rent, rates and other occupancy costs	-	108	108
Security	-	6	6
Insurance	-	42	42
Catering	102	15	117
Other support costs	1	161	162
Governance costs	24	72	96
	<u>181</u>	<u>3,107</u>	<u>3,288</u>
	<u><u>181</u></u>	<u><u>3,107</u></u>	<u><u>3,288</u></u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020	2019
	£000	£000
Operating lease rentals	11	9
Depreciation of tangible fixed assets	474	471
Fees paid to auditors for:		
- audit	14	14
- other services	4	4
	<u> </u>	<u> </u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	2019
	£000	£000
Wages and salaries	6,681	6,088
Social security costs	623	541
Pension costs	1,722	1,339
	<u> </u>	<u> </u>
	9,026	7,968
Agency staff costs	65	137
Staff restructuring costs	-	20
	<u> </u>	<u> </u>
	9,091	8,125
	<u> </u>	<u> </u>

Staff restructuring costs comprise:

	2020	2019
	£000	£000
Redundancy payments	-	20
	<u> </u>	<u> </u>
	-	20
	<u> </u>	<u> </u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

11. Staff (continued)

b. Staff numbers

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

	2020	2019
	No.	No.
Teachers	107	100
Administration and support	103	93
Management	21	19
	231	212

c. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	6	7
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	1	1

Ten of the above employees participated in the Teachers' Pension Scheme and one in the Local Government Pension Scheme. Contributions during the year ended 31 August 2020 amounted to £170,653 (2019: £118,428) towards the Teachers' Pension Scheme and £13,998 (2019: £8,297) towards the Local Government Pension Scheme.

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £844,126 (2019: £1,505,630). Due to the changes in the governance and management structure of the Trust, only the Executive Team and School Headteachers are now considered to be the key management personnel.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

12. Central services

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

- human resources advice;
- financial services;
- compliance services;
- capital projects;
- data analysis and interpretation;
- educational support services.

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

A flat percentage of 5% (2019: 5%) of total General Annual Grant income.

The actual amounts charged during the year were as follows:

	2020	2019
	£000	£000
Stone Lodge School	43	-
Wilmington Grammar School for Boys	221	220
Wilmington Grammar School for Girls	211	215
Total	475	435

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£000	£000
Donna Lodge (Chief Executive Officer)	Remuneration	115 - 120	110 - 115
	Pension contributions paid	25 - 30	15 - 20

During the year ended 31 August 2020, expenses totalling £1,412 were reimbursed or paid directly to 1 Trustee (2019 - £535 to 2 Trustees).

14. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of 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 membership.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

15. Tangible fixed assets

	Freehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2019	32,271	471	131	37	32,910
Additions	104	27	192	-	323
At 31 August 2020	<u>32,375</u>	<u>498</u>	<u>323</u>	<u>37</u>	<u>33,233</u>
Depreciation					
At 1 September 2019	1,820	191	59	14	2,084
Charge for the year	407	45	16	6	474
At 31 August 2020	<u>2,227</u>	<u>236</u>	<u>75</u>	<u>20</u>	<u>2,558</u>
Net book value					
At 31 August 2020	<u><u>30,148</u></u>	<u><u>262</u></u>	<u><u>248</u></u>	<u><u>17</u></u>	<u><u>30,675</u></u>
At 31 August 2019	<u><u>30,451</u></u>	<u><u>280</u></u>	<u><u>72</u></u>	<u><u>23</u></u>	<u><u>30,826</u></u>

Included in freehold land and buildings is land at its net book value of £1,626k for Wilmington Grammar School for Girls and £6,543k for Wilmington Grammar School for Boys.

16. Debtors

	2020 £000	2019 £000
Trade debtors	36	52
Other debtors	59	75
Prepayments and accrued income	561	1,253
	<u><u>656</u></u>	<u><u>1,380</u></u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

17. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Other loans	6	5
Trade creditors	304	246
Other taxation and social security	160	143
Other creditors	174	135
Accruals and deferred income	178	339
	<u>822</u>	<u>868</u>
	<u>2020</u>	<u>2019</u>
	<u>£000</u>	<u>£000</u>
Deferred income at 1 September 2019	207	236
Resources deferred during the year	103	207
Amounts released from previous periods	(207)	(236)
	<u>103</u>	<u>207</u>

At the balance sheet date the academy trust was holding funds received for trips and activities in respect of the following financial year.

18. Creditors: Amounts falling due after more than one year

	2020	2019
	£000	£000
Other loans	19	25

Two loans had been provided to the Trust in 2017/18 as part of the CIF Capital Grant awards. The loans are repayable over five years at an interest rate of 0.0107%.

An additional loan was provided to the Trust in 2018/19. This loan is repayable over ten years, at an interest rate as set by the Public Works Loan Board rate.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

19. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	476	21	(9)	-	-	488
Restricted general funds						
General Annual Grant (GAG)	896	9,493	(9,181)	(6)	-	1,202
Other DfE / ESFA grants	-	755	(755)	-	-	-
Pupil premium	47	155	(155)	-	-	47
Start up grant re Stone Lodge	27	-	(27)	-	-	-
Other government grants	18	182	(181)	-	-	19
Other restricted funds	172	534	(521)	-	-	185
NWKTSA	15	40	(48)	-	-	7
Pension reserve	(3,056)	-	(324)	-	(1,032)	(4,412)
	<u>(1,881)</u>	<u>11,159</u>	<u>(11,192)</u>	<u>(6)</u>	<u>(1,032)</u>	<u>(2,952)</u>
Restricted fixed asset funds						
Transfer on conversion	25,680	-	(311)	-	-	25,369
DfE / ESFA capital grants	6,668	393	(137)	52	-	6,976
Capital expenditure from GAG and other funds	289	3	(26)	(46)	-	220
	<u>32,637</u>	<u>396</u>	<u>(474)</u>	<u>6</u>	<u>-</u>	<u>32,565</u>
Total Restricted funds	<u>30,756</u>	<u>11,555</u>	<u>(11,666)</u>	<u>-</u>	<u>(1,032)</u>	<u>29,613</u>
Total funds	<u>31,232</u>	<u>11,576</u>	<u>(11,675)</u>	<u>-</u>	<u>(1,032)</u>	<u>30,101</u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

19. Statement of funds (continued)

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

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum.

GAG represents funding to be used to cover the normal running costs of the Academy Trust.

Other DfE / ESFA grants and Pupil premium represents those grants provided for specific purposes, such as supporting disadvantaged pupils and to assist them in decreasing the attainment gap between those pupils and their peers.

Other government grants represents those grants provided for specific purposes to provide additional support to pupils where required.

Other restricted funds are used to fund the general operating costs of the Academy Trust.

The Pension reserve represents the Academy Trust's share of the LGPS Pension Fund deficit.

Restricted fixed asset funds comprise the net book value of the Academy Trust's fixed assets as at 31 August 2020, including the land and buildings which were donated upon conversion to academy status.

The DfE / ESFA capital grants fund are also represented and provide the Academy Trust with its own capital money to address improvements to the land and buildings and other facilities.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£000	£000
Stone Lodge School	103	-
Wilmington Grammar School for Boys	511	348
Wilmington Grammar School for Girls	1,017	838
MAT Central Services	317	465
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,948	1,651
Restricted fixed asset fund	32,565	32,637
Pension reserve	(4,412)	(3,056)
	<hr/>	<hr/>
Total	30,101	31,232
	<hr/> <hr/>	<hr/> <hr/>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000
Stone Lodge School	535	150	101	162	948
Wilmington Grammar School for Boys	3,180	752	468	324	4,724
Wilmington Grammar School for Girls	3,021	628	535	337	4,521
MAT Central Services	211	664	6	126	1,007
Academy Trust	6,947	2,194	1,110	949	11,200

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000
Wilmington Grammar School for Boys	3,031	802	599	521	4,953
Wilmington Grammar School for Girls	2,709	725	568	403	4,405
MAT Central Services	257	662	51	175	1,145
Academy Trust	5,997	2,189	1,218	1,099	10,503

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

19. Statement of funds (continued)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds	448	209	(181)	-	-	476
Restricted general funds						
General Annual Grant (GAG)	657	9,116	(8,821)	(56)	-	896
Other DfE / ESFA grants	-	128	(128)	-	-	-
Pupil premium	20	126	(99)	-	-	47
Start up grant re Stone Lodge	25	393	(339)	(52)	-	27
Other government grants	18	239	(239)	-	-	18
Other restricted funds	178	756	(752)	(10)	-	172
NWKTSA	-	65	(50)	-	-	15
Pension reserve	(1,943)	(503)	106	-	(716)	(3,056)
	<u>(1,045)</u>	<u>10,320</u>	<u>(10,322)</u>	<u>(118)</u>	<u>(716)</u>	<u>(1,881)</u>
Restricted fixed asset funds						
Transfer on conversion	26,039	-	(317)	(42)	-	25,680
DfE / ESFA capital grants	6,634	145	(138)	27	-	6,668
Capital expenditure from GAG and other funds	172	-	(16)	133	-	289
	<u>32,845</u>	<u>145</u>	<u>(471)</u>	<u>118</u>	<u>-</u>	<u>32,637</u>
Total Restricted funds	<u>31,800</u>	<u>10,465</u>	<u>(10,793)</u>	<u>-</u>	<u>(716)</u>	<u>30,756</u>
Total funds	<u><u>32,248</u></u>	<u><u>10,674</u></u>	<u><u>(10,974)</u></u>	<u><u>-</u></u>	<u><u>(716)</u></u>	<u><u>31,232</u></u>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	30,675	30,675
Current assets	488	2,276	1,915	4,679
Creditors due within one year	-	(816)	(6)	(822)
Creditors due in more than one year	-	-	(19)	(19)
Provisions for liabilities and charges	-	(4,412)	-	(4,412)
Total	488	(2,952)	32,565	30,101

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	30,826	30,826
Current assets	475	2,039	1,841	4,355
Creditors due within one year	1	(864)	(5)	(868)
Creditors due in more than one year	-	-	(25)	(25)
Provisions for liabilities and charges	-	(3,056)	-	(3,056)
Total	476	(1,881)	32,637	31,232

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

21. Reconciliation of net expenditure to net cash flow from operating activities

	2020	2019
	£000	£000
Net expenditure for the period (as per Statement of Financial Activities)	(98)	(300)
Adjustments for:		
Depreciation	474	471
Capital grants from DfE and other capital income	(396)	(145)
Interest receivable	(10)	(13)
Defined benefit pension scheme cost less contributions payable	273	347
Defined benefit pension net finance cost	51	48
Decrease in stocks	-	3
Decrease in debtors	724	158
Decrease in creditors	(47)	(16)
Net cash provided by operating activities	971	553

22. Cash flows from financing activities

	2020	2019
	£000	£000
Cash inflows from new borrowing	-	10
Repayments of borrowing	(6)	(5)
Net cash (used in)/provided by financing activities	(6)	5

23. Cash flows from investing activities

	2020	2019
	£000	£000
Dividends, interest and rents from investments	10	13
Purchase of tangible fixed assets	(323)	(493)
Capital grants from DfE Group	396	145
Net cash provided by/(used in) investing activities	83	(335)

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

24. Analysis of cash and cash equivalents

	2020	2019
	£000	£000
Cash in hand	4,023	2,975
Total cash and cash equivalents	4,023	2,975

25. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2020 £000
Cash at bank and in hand	2,975	1,048	-	4,023
Debt due within 1 year	(5)	5	(6)	(6)
Debt due after 1 year	(25)	-	6	(19)
	2,945	1,053	-	3,998

26. Capital commitments

	2020	2019
	£000	£000
Contracted for but not provided in these financial statements		
Capital expenditure contracted but not provided in the Financial Statements	2,052	1,748

27. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £154k were payable to the schemes at 31 August 2020 (2019 - £125k) and are included within creditors.

Notes to the Financial Statements
For the year ended 31 August 2020

27. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,155k (2019 - £732k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £400k (2019 - £345k), of which employer's contributions totalled £309k (2019 - £265k) and employees' contributions totalled £ 91k (2019 - £80k). The agreed contribution rates for future years are 20 per cent for employers and 5.5 to 12.5 per cent 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 MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

27. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.25	3.70
Rate of increase for pensions in payment/inflation	2.25	2.20
Discount rate for scheme liabilities	1.60	1.85

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

	2020	2019
	Years	Years
Retiring today		
Males	21.8	22.1
Females	23.8	24.0
Retiring in 20 years		
Males	23.2	23.7
Females	25.2	25.8

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	8,802	6,884
Discount rate -0.1%	9,264	7,210
Mortality assumption - 1 year increase	9,371	7,302
Mortality assumption - 1 year decrease	8,701	6,798
Salary rate +0.1%	9,055	7,067
Salary rate -0.1%	9,005	7,023
Pension rate +0.1%	9,237	7,187
Pension rate -0.1%	8,828	6,906

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

27. Pension commitments (continued)

Share of scheme assets

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

	2020	2019
	£000	£000
Equities	2,991	2,718
Gilts	31	29
Bonds	596	360
Property	507	465
Cash	141	107
Other assets	352	310
	<hr/>	<hr/>
Total market value of assets	4,618	3,989
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £304k (2019 - £167k).

The amounts recognised in the Statement of Financial Activities are as follows:

	2020	2019
	£000	£000
Current service cost	(659)	(503)
Past service cost	79	(109)
Interest income	77	98
Interest cost	(128)	(146)
Administrative expenses	(2)	(2)
	<hr/>	<hr/>
Total amount recognised in the Statement of Financial Activities	(633)	(662)
	<hr/> <hr/>	<hr/> <hr/>

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

	2020	2019
	£000	£000
At 1 September	7,045	5,509
Current service cost	659	503
Interest cost	128	146
Employee contributions	91	80
Actuarial losses	1,318	785
Benefits paid	(68)	(87)
Past service costs	(143)	109
	<hr/>	<hr/>
At 31 August	9,030	7,045
	<hr/> <hr/>	<hr/> <hr/>

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

27. Pension commitments (continued)

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

	2020	2019
	£000	£000
At 1 September	3,989	3,566
Interest income	77	98
Actuarial gains	286	69
Employer contributions	309	265
Employee contributions	91	80
Benefits paid	(68)	(87)
Administration expenses	(2)	(2)
Settlement prices paid	(64)	-
At 31 August	4,618	3,989

28. Operating lease commitments

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£000	£000
Not later than 1 year	11	8
Later than 1 year and not later than 5 years	18	14
	29	22

29. Members' liability

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

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

30. Related party transactions

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

All of the following related party transactions took place in the period of account:

The Academy Trust paid £1,280 (2019: £Nil) to Gravesham Excellence Cluster Limited, a company of which S Kemsley is a director. There were no amounts (2019: £Nil) outstanding as at 31 August 2020.

The Academy Trust paid £9,000 (2019: £Nil) to Rochester Music School Limited, a company of which a close relation of a member of the Senior Leadership Team operates. There were no amounts (2019: £Nil) outstanding as at 31 August 2020.

The Academy Trust paid £1,200 (2019: £Nil) to SimplyHere, a company of which a close relation of a member of the Senior Leadership Team operates. There were no amounts (2019: £Nil) outstanding as at 31 August 2020.

31. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the trust had unspent funds brought forward of £Nil (2019: £10,286), received £23,832 (2019: £26,584) and disbursed £23,832 (2019: £36,870) from the fund. No amounts (2019: £Nil) are included within creditors: amounts falling due in less than one year relating to undistributed funds.

32. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.

ENDEAVOUR MAT
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

33. Teaching school trading account

	2020	2020	2019	2019
	£000	£000	£000	£000
Income				
Direct income				
Grants	40		65	
Total direct income	<u>40</u>		<u>65</u>	
Total income		40		65
Expenditure				
Direct expenditure				
Direct staff costs	40		34	
Total direct expenditure	<u>40</u>		<u>34</u>	
Other expenditure				
Other support costs	8		16	
Total other expenditure	<u>8</u>		<u>16</u>	
Total expenditure		48		50
(Deficit)/surplus from all sources		(8)		15
Teaching school balances at 1 September 2019		15		-
Teaching school balances at 31 August 2020		<u><u>7</u></u>		<u><u>15</u></u>