

Company Registration Number: 11024646 (England and Wales)

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

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YORKSHIRE ENDEAVOUR ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE PERIOD ENDED 31 AUGUST 2018

Members

P Scholey (appointed 20 October 2017)
M Stones (appointed 20 October 2017)
T A Cooper (appointed 20 October 2017, resigned 20 July 2018)
D Davidson (appointed 11 December 2018)

Trustees

T A Cooper, Chair (appointed 20 October 2017, resigned 20 July 2018)¹
A Parker, Chair (appointed 20 October 2017)
H J Brown (appointed 20 October 2017, resigned 11 August 2018)
E J Douglass, CEO (appointed 20 October 2017)¹
D Leggatt (appointed 20 October 2017)
D E Liddle (appointed 20 October 2017)¹
A W A Maisey (appointed 20 October 2017)¹
D Medcalf (appointed 20 October 2017)
M Palmer (appointed 11 December 2018)
W Parkin (appointed 11 December 2018)

¹ Finance, Resources, Audit and Risk Group

Company registered number

11024646

Company name

Yorkshire Endeavour Academy Trust

Principal and registered office

Airy Hill Primary School
Waterstead Lane
Whitby
North Yorkshire
YO21 1PZ

Company secretary

S Markham

Senior management team

E J Douglass, CEO and Headteacher
C Zanelli, Deputy CEO, Accounting Officer and Headteacher
N Brown, Chief Financial Officer
H Ward, Headteacher
C Mathewman, Headteacher

Independent auditors

Clive Owen LLP
Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2018**

Advisers (continued)

Bankers

Lloyds Bank Plc
1 St Nicholas Street
Scarborough
North Yorkshire
YO11 2YY

Solicitors

Browne Jacobson
14th Floor
No 1 Spinning Fields
1 Hardman Square
Spinningfields
Manchester
M3 3EB

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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CHAIRMAN'S STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2018

Our first months as a multi academy trust has been both challenging and exciting, we have focused our energies into ensuring the smooth transition of 5 maintained schools to Academy Schools within Yorkshire Endeavour Academy Trust.

We are at the start of our journey, one which puts our people at the heart of everything we do, we are committed to supporting pupils and colleagues to be the very best they can be.

I would like to express my sincere thanks to my predecessor Tom Cooper, whose dedication and commitment to the vision of developing Yorkshire Endeavour has been invaluable.

We look forward to building on our firm foundations.



Name A Parker
Chairman

Date 11 December 2018

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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**CHIEF EXECUTIVE OFFICER'S REVIEW OF THE YEAR
FOR THE PERIOD ENDED 31 AUGUST 2018**

Our academy trust is built on shared core values and a real drive to provide an outstanding education for all. We are an inclusive group of schools who firmly believe in celebrating and preserving the diversity within our member academy schools, whilst ensuring that the Trusts ethos of an outstanding education for all, is at our very core and underpins everything we do.

We provide a rich and exciting curriculum in a safe and caring environment, where children flourish and have the opportunity to build positive relationships, make reputable choices and be inspired to become innovative life-long learners.

Collaboration is at the core of our practice, we have an open culture and it is through our differences that we challenge and support each other to do the best for our children.

This careful building of capacity and central systems will sustain improvement and growth in future years. We have identified many potential partners and we are currently working on collaborative projects with them. Some may join Yorkshire Endeavour Academy Trust in the future as either full or associate members. We are also in a much stronger position to sponsor a school and look forward to doing so.

I would like to thank our staff, governors and trustees for their hard work and support during our first year. A year that effectively established central systems and leadership capacity that embraces our collaborative approaches, whilst retaining the unique character and identity of individual academy schools. We have found many areas where we are now more closely aligned, and through sharing practice and expertise we have identified many others to work through our 2018-19 Development Plan.



Name C Zanelli
Deputy Chief Executive Officer

Date 11 December 2018

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 20 October 2017 to 31 August 2018. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The academy trust operates 5 primary academy schools in the North of England, for pupils aged 2 to 11.

Academy School	Phase	Number on Roll	Ofsted Grade (pre-conversion)
Airy Hill	Primary (2-11)	187 plus nursery	Good (April 2016)
Castleton	Primary (4-11)	41	Outstanding (June 2013)
Glaisdale	Primary (4-11)	40	Outstanding (July 2013)
Lealholm	Primary (4-11)	32	Good (July 2013)
West Cliff	Primary (4-11)	166 plus nursery	Good (Nov 2013)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Yorkshire Endeavour Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Yorkshire Endeavour Academy Trust.

Details of the Trustees who served during the period 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

The academy trust has purchased insurance to protect the Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy trust business. Further details are provided in Note 11.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Trustees

The Trust, on identifying a need to recruit an additional or replacement Trustee will identify requirements based on a skills audit of current Trustees. Recruitment of new Trustees will take place from within local communities. New Trustees will be proposed by the CEO and Chair of Trustees. Trustees will vote on whether to accept the candidate.

Members may also appoint by ordinary resolution up to 5 Trustees.

All new Trustees will be required to complete an Enhanced Disclosure (through the Disclosure Barring Service).

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the CEO or any post held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees is bespoke to individual needs. Training and mentoring requirements are tailored to their existing experience. Where necessary, induction and training is provided on charity, educational, legal and financial matters.

All new Trustees are given a tour of an academy school and the chance to meet with staff and students. All Trustees are provided with access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and are tailored specifically to the individual.

Trustees and Governors are invited to collaborative leadership training provided by the Trust and are encouraged to access training as and when required.

Organisational structure

Governance, Leadership and Management of the Trust is through the following:

- Board of Members
- Board of Trustees
- Committees of the Board (Finance, Resources, Audit and Risk FRAR and School Improvement Leadership Group SILG)
- Yorkshire Endeavour Academy Trust CEO and Trust Senior Leadership Team
- Local Governing Boards
- Headteachers and Senior Leaders of each Academy School.

The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

A comprehensive Accountabilities Framework underpins this and is available on the Yorkshire Endeavour Academy Trust Website www.yeat.co.uk .

In summary, the Trustees have the following role:

- Custodians of the values and vision of the Multi Academy Trust (MAT)
- Strategically planning with leaders the development of the MAT
- Monitoring and evaluating the progress of the MATs improvement and development plan.
- Consulting with leaders, staff and local governing bodies.
- The Trustees should provide challenge and support for leaders, but are not there to lead or undertake the detailed work of the MAT.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Trustees (continued)

The CEO and Trust Central Leadership Team have cross MAT responsibility for delivering on the strategic plans. Local governing bodies and headteachers have a high level of delegated responsibilities and must ensure they meet the challenge of meeting their statutory duties and regulations and continuously improving children's outcomes

Organic leadership is promoted across Yorkshire Endeavour Academy Trust so that we ensure that there are regular opportunities for communication between governors, leaders and trustees.

Regular meetings and communication take place between the CEO, Trustees and Individual Academy Schools Leadership and Governance provides an opportunity for discussion and training for school leaders, governors and trustees.

Arrangements for setting pay and remuneration of key management personnel

The Trustees agree pay and remuneration for key management personnel within the Trust, and the levels are bench marked against similar schools. Any changes to pay and remuneration are agreed by the Trustees through a formal performance management process. The Trust's pay policy has been developed following advice and support from HR specialists NYES.

Trade union facility time

We do not employ union officials directly but buy into the Professional Association Facilities Arrangements through North Yorkshire county council at a cost of £705 per year.

This represents less than 0.03% of our annual staffing costs.

Related Parties and other Connected Charities and Organisations

Glaisdale School is the lead school for the Esk Valley Teaching Alliance (EVA) which includes approximately 40 members. The accounts for EVA are included within Yorkshire Endeavour Academy Trust. EVA supports initial teacher training (ITT), school improvement, continuous professional development and research development.

R Scholey, spouse of P Scholey, a Trust member, is employed by the academy trust as a supply teacher. R Scholey was employed as a supply teacher prior to the conversion to an academy trust. R Scholey is paid within the normal teacher pay scale and receives no special treatment as a result of her relationship to a Trust member.

H Medcalf, spouse of D Medcalf, a Trustee, is employed by the academy trust as a supply teacher. H Medcalf was employed as a supply teacher prior to the conversion to an academy trust. H Medcalf is paid within the normal teacher pay scale and receives no special treatment as a result of her relationship to a Trust member.

R Grace, daughter of D Davidson, a Trust Member, is employed by the academy trust as a teacher at Castleton Primary School. R Grace was employed as a teacher prior to the conversion to an academy trust. R Grace is paid within the normal teacher pay scale and receives no special treatment as a result of her relationship to a Trust member.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the charitable company is the operation of Yorkshire Endeavour Academy Trust to provide education for students of different abilities between the ages of 2 & 11.

The key aim of Yorkshire Endeavour Academy Trust is to 'provide an outstanding education for all. This will be achieved by improving provision and outcomes for all our pupils by sharing expertise through collaborative practice.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the academies, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum with emphasis on science, outdoor education and vocational subjects and their practical applications.

Objectives, strategies and activities

The key objectives for the first year of the academy trust (period ended 31 August 2018) are as summarised below:

- A smooth conversion process for the schools - minimising any adverse effect as a result of the conversion process
- Develop central systems that are effective and robust
- Establish a clear framework for accountability and Governance within the academy trust
- Develop strong collaborative approaches and systems to support school improvement and growth of the academy trust

Yorkshire Endeavour Academy Trust conducted considerable research into best practice within multi academy trusts, taking advice from several established trusts of similar size and demograph, as well as external consultants and professionals. This research ensured that informed decisions were made supporting the smooth transition from maintained schools, to a multi academy trust.

Prior to conversion much consideration was given to anticipated staffing levels and key competencies for central staff. The academy trust has developed central systems to enable clear and consistent protocols are in place.

The framework for accountability and governance was developed with reference to successful models in similar trusts.

The 5 academy schools within the academy trust have a history of collaborative working, firstly through the Esk Valley cluster and then formally through the Esk Valley Teaching Schools Alliance. The move to a multi academy trust has further strengthened this collaborative approach to school improvement

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between 2 and 11.

Public benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy trust should undertake.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE

STRATEGIC REPORT

Key performance indicators

	Number of Pupils	% Pupils Achieving Expected Standard				
		Reading Writing and Maths	Reading	Writing	Maths	Grammar, punctuation and Spelling
Airy Hill	187	59	72	81	66	72
Castleton	41	71	71	100	86	100
Glaisdale	40	75	100	88	75	88
Lealholm	32	86	86	86	86	71
West Cliff	166	60	68	84	72	88

Academy School	Phase	Ofsted Grade (pre conversion)
Airy Hill	Primary (2-11)	Good (April 2016)
Castleton	Primary (4-11)	Outstanding (June 2013)
Glaisdale	Primary (4-11)	Outstanding (July 2013)
Lealholm	Primary (4-11)	Good (July 2013)
West Cliff	Primary (4-11)	Good (Nov 2013)

Going concern

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

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TRUSTEES' REPORT (continued)
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FINANCIAL REVIEW

Most of the academy trust's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities SORP (FRS 102), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition in the first period of operation the Trust also received £413,000 from North Yorkshire County Council representing the cash surplus balances transferred on conversion. £162,000 is shown in unrestricted funds in the Statements of Financial Activities, £223,000 is restricted funds as this represents balances on specific grants relating to the Esk Valley Teaching Alliance and the remaining £28,000 is restricted fixed asset funds as this represents unspent capital grants held on conversion.

During the year ended 31 August 2018, total expenditure of £1,953,000 was exceeded by recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding fixed asset funds) was £255,000. The in-year surplus excluding restricted fixed assets and pension reserves was £380,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academy trust's objectives.

At 31 August 2018 net book value of fixed assets was £6,654,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £485,000 recognized on the balance sheet.

The academy trust held fund balances as at 31 August 2018 of £6,591,000 comprising £250,000 of restricted general funds, £6,696,000 of restricted fixed asset funds, £(485,000) of restricted pension funds and £130,000 of unrestricted funds.

Reserves policy

The Trustees will review the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income and commitments and the nature of the reserves.

The Trustees take into consideration the future plans of the Trust, the uncertainty of uncertain income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of revenue reserves, within the academy trust, should be a minimum of £100,000 at any year end. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2018

Investments policy

The academy trust would invest surplus funds, when appropriate, through low risk money market accounts. Interest rates will be reviewed prior to each investment. Investment objectives:
Achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximization;

Only invest funds surplus to operational need based on all financial commitments being met without the bank account becoming overdrawn;

All investment decisions should be exercised with care and skill and consequently be in the best interests of the academy trust.

This policy maximises investment return whilst minimising risks to the principal sum.

Principal risks and uncertainties

The Trustees have assessed the major risks, to which the academy trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance.

The main risk identified to the trust, going forward, is uncertainty about funding levels, with rising costs. Additionally, pressure within North Yorkshire and nationally on high needs funding has meant that the costs of supporting pupils with additional needs is significantly higher than the funding received. This underfunding is set to continue, resulting in overall pressure on the school budgets, particularly at Castleton and Glaisdale Primary Schools.

Trustees will continue to monitor financial performance to ensure the Trust remains in a strong financial position.

The academy trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

FUNDRAISING

Fundraising is predominantly small scale at school level, with a specific focus on low cost items and equipment. The focus is generally around community engagement, and involves small scale dress down days and bake sales. The schools also participate in national events, such as Children in Need, sport relief etc.

PLANS FOR FUTURE PERIODS

Our plans for the future include focus upon 3 elements of our strategy which are:

- Improving outcomes for pupils
- YEAT growth
- Financial and Commercial effectiveness

To improve pupil outcomes key priorities have been agreed both at school and Trust level and are being developed through the YEAT development plan.

YEAT growth in the coming year involves raising the profile of the Trust.

The focus under financial and commercial effectiveness is the renegotiation of contracts for services with the aim of achieving better value for money.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2018

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2018 and signed on its behalf by:



A Parker
Chair of Trustees

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of Responsibility

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

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

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 2 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
T A Cooper, Chair (until 20 July 2018)	2	2
A Parker, Chair (from 20 July 2018)	2	2
H J Brown, (until 11 August 2018)	0	2
E J Douglass, CEO and Accounting Officer	2	2
D Leggatt	1	2
D E Liddle	1	2
A W A Maisey	2	2
D Medcalf	0	2
M Palmer	0	0
W Parkin	0	0

The academy trust completed the Financial Management and Governance Self Assessment questionnaire in the summer term of 2018.

The Trust plans to conduct a further review of governance early in 2019.

The Finances, Resources, Audit and Risk (FRAR) committee is a sub-committee of the main board. Its purpose is to carry out duties delegated by the main board in matters linked to finance and risk. The committee was formed in February 2018, and is scheduled to meet 3 times per year. Prior to the formation of the FRAR committee the business was conducted by the main Board of Trustees.

During the period the committee met once.

Attendance at meetings in the period was as follows:

	Meetings attended	Out of a possible
D E Liddle, Chair	1	1
N Brown, CFO	1	1
T A Cooper	1	1
E J Douglass, CEO and Accounting Officer	1	1
C Zanelli, Deputy CEO	1	1

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GOVERNANCE STATEMENT (continued)

Governance (continued)

The School Improvement Leadership Group (SILG) committee is a sub-committee of the main board. Its purpose is to carry out duties delegated by the main board in matters linked to School Improvement. The committee was formed in February 2018, and is scheduled to meet 3 times per year. Prior to the formation of the SILG committee the business was conducted by the main board of trustees

During the period the committee met once.

Attendance at meetings in the period was as follows:

	Meetings attended	Out of a possible
E J Douglass, CEO, Accounting Officer and Castleton and Glaisdale Head Teacher	1	1
A W A Maisey	0	1
C Matthewman, Airy Hill Head Teacher	1	1
A Parker	1	1
H Ward, Lealholm Head Teacher	1	1
C Zanelli, Deputy CEO and West Cliff Head Teacher	1	1

Review of Value for Money

As Accounting Officer, the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Establishing centralised systems and processes for finance across the trust
- Implementation of robust web based purchase ordering and approval systems
- Trust wide monitoring systems
- Review of a selection of services provided across the Trust and rationalisation where appropriate

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Yorkshire Endeavour Academy Trust for the period 20 October 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks, that has been in place for the period 20 October 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance, Resources, Audit and Risk 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 Clive Owen LLP, the external auditors, to perform additional checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- review of regularity
- review of Trustee appointments/resignations and declarations of interests
- review of academy conversion procedures
- review of VAT
- review of accounting system and nominal ledger

On a termly basis, the external auditors report to the Board of Trustees through the Finance, Resources, Audit and Risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance, resources, audit and risk committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 11 December 2018 and signed on their behalf, by:



A Parker
Chair of Trustees



C Zanelli
Accounting Officer

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Yorkshire Endeavour Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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.



C Zanelli
Accounting Officer

Date: 11 December 2018

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2018

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 Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 2015 and the Academies Accounts Direction 2017 to 2018;
- 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 11 December 2018 and signed on its behalf by:



A Parker
Chair of Trustees

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
YORKSHIRE ENDEAVOUR ACADEMY TRUST**

Opinion

We have audited the financial statements of Yorkshire Endeavour Academy Trust (the 'academy trust') for the period ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, 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 2015 and the Academies Accounts Direction 2017 to 2018 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 2018 and of its incoming resources and application of resources, including its income and expenditure for the period 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 2015 and the Academies Accounts Direction 2017 to 2018 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.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
YORKSHIRE ENDEAVOUR ACADEMY TRUST**

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. 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
YORKSHIRE ENDEAVOUR ACADEMY TRUST**

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.

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

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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.



Chris Beaumont BA(Hons) FCA DChA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT
11 December 2018

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO YORKSHIRE ENDEAVOUR ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Yorkshire Endeavour Academy Trust during the period 20 October 2017 to 31 August 2018 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 Yorkshire Endeavour Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Yorkshire Endeavour Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Yorkshire Endeavour Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Yorkshire Endeavour Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Yorkshire Endeavour Academy Trust's funding agreement with the Secretary of State for Education dated 25 January 2018, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 20 October 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO YORKSHIRE ENDEAVOUR ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

Approach (continued)

The work undertaken to draw to our conclusion includes;

- Review of governing body and committee minutes;
- Review of termly Responsible Officer reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts; and
- Review an instance of gifts/hospitality to ensure in line with policy.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 20 October 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clive Owen LLP

Reporting Accountant

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

11 December 2018

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
INCOME FROM:					
Donations & capital grants:					
Transfer from local authority on conversion	2	163	(359)	6,744	6,548
Other donations and capital grants	2	1	-	25	26
Charitable activities:					
Funding for the academy trust's educational operations	3	-	1,616	-	1,616
Teaching school		-	73	-	73
Other trading activities	4	109	17	-	126
TOTAL INCOME		<u>273</u>	<u>1,347</u>	<u>6,769</u>	<u>8,389</u>
EXPENDITURE ON:					
Charitable activities:					
Academy trust educational operations		141	1,622	78	1,841
Teaching school		-	112	-	112
TOTAL EXPENDITURE	6	<u>141</u>	<u>1,734</u>	<u>78</u>	<u>1,953</u>
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfers between Funds	16	132 (2)	(387) (3)	6,691 5	6,436 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		130	(390)	6,696	6,436
Actuarial gains on defined benefit pension schemes	21	-	155	-	155
NET MOVEMENT IN FUNDS		<u>130</u>	<u>(235)</u>	<u>6,696</u>	<u>6,591</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		<u>130</u>	<u>(235)</u>	<u>6,696</u>	<u>6,591</u>

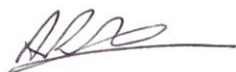
All of the academy trust's activities derive from acquisitions in the current financial period.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11024646

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000
FIXED ASSETS			
Tangible assets	13		6,654
CURRENT ASSETS			
Debtors	14	65	
Cash at bank and in hand		583	
		648	
CREDITORS: amounts falling due within one year	15	(226)	
		422	
NET CURRENT ASSETS			422
TOTAL ASSETS LESS CURRENT LIABILITIES			7,076
Defined benefit pension scheme liability	21		(485)
			6,591
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			6,591
FUNDS OF THE ACADEMY			
Restricted income funds:			
Restricted income funds	16	250	
Restricted fixed asset funds	16	6,696	
		6,946	
Restricted income funds excluding pension liability		6,946	
Pension reserve		(485)	
		6,461	
Total restricted income funds			6,461
Unrestricted income funds	16		130
			6,591
TOTAL FUNDS			6,591

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue, on 11 December 2018 and are signed on their behalf, by:



A Parker
Chair of Trustees

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2018

	Note	2018 £000
Cash flows from operating activities		
Net cash provided by operating activities	18	161
Cash flows from investing activities:		
Purchase of tangible fixed assets		(16)
Capital grants from DfE Group		25
Cash inherited on conversion		413
Net cash provided by investing activities		<u>422</u>
Change in cash and cash equivalents in the period		583
Cash and cash equivalents brought forward		-
Cash and cash equivalents carried forward	19	<u><u>583</u></u>

All of the cash flows are derived from acquisitions in the current financial period.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 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 historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Yorkshire Endeavour Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

Grants are included in the Statement of Financial Activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

1.4 EXPENDITURE

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

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

All expenditure is inclusive of irrecoverable VAT.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £5,000 are capitalised 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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	Straight line over 50 years
Office equipment	-	Straight line over 3 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 incorporating Income and Expenditure Account.

1.6 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.

1.7 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.

1.8 LIABILITIES AND PROVISIONS

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

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.9 FINANCIAL INSTRUMENTS

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 TAXATION

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.11 PENSIONS (continued)

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

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

1.12 CONVERSION TO AN ACADEMY TRUST

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

The assets and liabilities transferred on conversion from Airy Hill Community Primary School, West Cliff Primary School, Lealholm Primary School, Glaisdale Primary School and Castleton Community Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Valuation of property - As the ESFA have not yet carried out a land and buildings valuation for the property on conversion, the Trustees have considered the other options available to them and have chosen to use 50% of the insurance valuation of land and buildings provided by North Yorkshire County Council prior to conversion.

Any material difference arising between the insurance valuation and the forthcoming ESFA valuation will be assessed and, should the need arise in future financial statements, a prior year adjustment may be made to reflect the ESFA valuation.

Further details of the transaction are set out in note 20.

1.13 FUND ACCOUNTING

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

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

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

YORKSHIRE ENDEAVOUR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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 makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £78,000.

Land and buildings are held under a 125 year lease from North Yorkshire County Council. These assets are included on the Balance Sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

Valuation of property - As the ESFA have not yet carried out a land and buildings valuation for the property on conversion, the Trustees have considered the other options available to them and have chosen to use 50% of the insurance valuation of land and buildings provided by North Yorkshire County Council prior to conversion.

Any material difference arising between the insurance valuation and the forthcoming ESFA valuation will be assessed and, should the need arise in future financial statements, a prior year adjustment may be made to reflect the ESFA valuation.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Transfer from local authority on conversion	163	(359)	6,744	6,548
Donations	1	-	-	1
Capital Grants	-	-	25	25
Subtotal	1	-	25	26
	<u>164</u>	<u>(359)</u>	<u>6,769</u>	<u>6,574</u>

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
DfE/ESFA grants			
General Annual Grant (GAG)	-	1,217	1,217
Pupil Premium	-	49	49
Other DfE/ESFA Grants	-	242	242
	<u>-</u>	<u>1,508</u>	<u>1,508</u>
Other government grants			
SEN	-	20	20
Other Government Grants	-	131	131
	<u>-</u>	<u>151</u>	<u>151</u>
Other funding			
Other Grants	-	30	30
	<u>-</u>	<u>30</u>	<u>30</u>
	<u>-</u>	<u>1,689</u>	<u>1,689</u>

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NOTES TO THE FINANCIAL STATEMENTS
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4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
Other income	45	-	45
Letting income	5	-	5
School trips	14	-	14
Staff absence insurance refunds	9	-	9
Catering income	36	-	36
Teaching school income	-	17	17
	<u>109</u>	<u>17</u>	<u>126</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

5. CHARITABLE ACTIVITIES

	Total funds 2018 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS	
Wages and salaries	905
National insurance	75
Pension cost	199
Educational supplies	42
Staff development	3
Technology costs	6
Educational consultancy	5
Travel and subsistence	2
Other direct costs	45
	1,282
SUPPORT COSTS - EDUCATIONAL OPERATIONS	
Wages and salaries	79
National insurance	2
Pension cost	15
Depreciation	78
Net interest cost on pension scheme	8
Examination fees	5
Maintenance of premises and equipment	22
Cleaning	67
Rates	12
Energy	25
Insurance	6
Transport	1
Catering	98
Occupancy costs	20
Other support costs	44
Governance costs	77
	559
	1,841
OTHER ACTIVITIES	
Direct costs	14
Support costs	98
	112
	1,953

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

6. EXPENDITURE

	Staff costs	Premises	Other costs	Total
	2018	2018	2018	2018
	£000	£000	£000	£000
Academy's educational operations:				
Direct costs	1,179	-	103	1,282
Support costs	96	230	233	559
Teaching schools:				
Direct costs	-	-	14	14
Support costs	33	-	65	98
	<u>1,308</u>	<u>230</u>	<u>415</u>	<u>1,953</u>

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments in the period.

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018
	£000
Depreciation of tangible fixed assets:	
- owned by the charity	78
Auditors' remuneration - audit	10
Auditors' remuneration - other services	2
Operating lease rentals	2
	<u>92</u>

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

8. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £000
Wages and salaries	996
Social security costs	79
Operating costs of defined benefit pension schemes	218
	1,293
Agency staff costs	1
Staff restructuring costs	14
	1,308

Included in Operating costs of defined benefit pension schemes is a debit of £50,000 relating to the pension deficit actuarial adjustment.

Staff restructuring costs comprise:

	2018 £000
Settlement payments	14
	14

b. Staff numbers

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

	2018 No.
Teachers	39
Administration & Support	65
Management	4
	108

c. Higher paid staff

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

	2018 No.
In the band £60,001 - £70,000	2

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 national insurance and pension contributions) received by key management personnel for their services to the academy trust was £182,000 for the period.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

9. CENTRAL SERVICES

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

- Clerking services
- Human resources
- Data protection services

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

The central services costs incurred during the year were £10,000 and have been time-apportioned and allocated to the different academies based on the time spent for the different services for each academy.

The actual amounts charged during the year were as follows:

	2018 £000
West Cliff Primary School	3
Airy Hill Community Primary School	3
Lealholm Primary School	2
Glaisdale Primary School	1
Castleton Community Primary School	1
	<hr/>
Total	10
	<hr/> <hr/>

10. 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 CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018 £000
E J Dougless, CEO and Headteacher	Remuneration	35-40
	Pension contributions paid	5-10

During the period ended 31 August 2018, no Trustees received any reimbursement of expenses.

11. TRUSTEES' AND OFFICERS' INSURANCE

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

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018**

12. NET INTEREST COST ON PENSION SCHEME

	2018 £000
Interest income on pension scheme assets	14
Interest on pension scheme liabilities	(22)
	(8)
	(8)

13. TANGIBLE FIXED ASSETS

	Leasehold property £000	Plant and equipment £000	Total £000
COST			
Additions	-	16	16
Assets inherited on conversion	6,716	-	6,716
At 31 August 2018	6,716	16	6,732
DEPRECIATION			
At 20 October 2017	-	-	-
Charge for the period	78	-	78
At 31 August 2018	78	-	78
NET BOOK VALUE			
At 31 August 2018	6,638	16	6,654

14. DEBTORS

	2018 £000
VAT repayable	33
Prepayments and accrued income	32
	65
	65

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £000
Trade creditors	1
Other taxation and social security	36
Other creditors	35
Accruals and deferred income	154
	226
	226

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	£000
DEFERRED INCOME	
Resources deferred during the year	54
Deferred income at 31 August 2018	54
	54

Deferred income relates to Universal Infant Free School Meals income and Rates Relief income received in advance.

16. STATEMENT OF FUNDS

	Balance at 20 October 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
UNRESTRICTED FUNDS						
General Funds - all funds	-	273	(141)	(2)	-	130
	-	273	(141)	(2)	-	130
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	1,217	(1,223)	6	-	-
Pupil Premium	-	49	(49)	-	-	-
Other DfE/ESFA Grants	-	211	(157)	-	-	54
SEN	-	20	(20)	-	-	-
Other Government Grants	-	131	(112)	-	-	19
Other Grants	-	5	(3)	-	-	2
Teaching school	-	296	(112)	(9)	-	175
Pension reserve	-	(582)	(58)	-	155	(485)
	-	1,347	(1,734)	(3)	155	(235)
	-	1,347	(1,734)	(3)	155	(235)
RESTRICTED FIXED ASSET FUNDS						
Inherited on conversion	-	6,744	(78)	(28)	-	6,638
DfE/ESFA Capital Grants	-	25	-	28	-	53
Capital expenditure from GAG	-	-	-	3	-	3
Fundraising	-	-	-	2	-	2
	-	6,769	(78)	5	-	6,696
Total restricted funds	-	8,116	(1,812)	2	155	6,461
Total of funds	-	8,389	(1,953)	-	155	6,591

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018**

16. STATEMENT OF FUNDS (continued)

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

The General Annual Grant (GAG) must be used for the normal running of the academy trust including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil premium is additional funding to be spent as the school sees fit to support deprived students.

SEN and Other Government Grants are received from North Yorkshire County Council to cover Special Education Needs and Early Years.

Other DfE/ESFA Grants relate Universal Infant Free School Meals Grant to provide free school meals for infants, rates relief, PE Grant to make additional and sustainable improvements to the quality of physical education, Sponsor Capacity Grant for establishment and necessary school improvements, MAT Growth Funding to provide additional funding to trusts in order to improve schools and increase social mobility.

Teaching School Grant relates to funding for teaching schools who want to support highperforming schools in becoming teaching schools.

Other Grants relate to North Yorkshire County Council community organised awards for groups, projects and volunteers.

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 21.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Transfers between funds represent;

- Fixed assets purchased out of GAG and Fundraising
- Unspent DfE/ESFA capital grants held on conversion
- Reallocation of Teaching school expenditure

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000
West Cliff Primary School	23
Airy Hill Community Primary School	15
Lealholm Primary School	56
Glaisdale Primary School	194
Castleton Community Primary School	19
Yorkshire Endeavour Academy Trust	73
	380
Total before fixed asset fund and pension reserve	380
Restricted fixed asset fund	6,696
Pension reserve	(485)
	6,591
Total	6,591

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018**

16. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2018 £000
West Cliff Primary School	386	33	-	99	518
Airy Hill Community Primary School	425	31	14	140	610
Lealholm Primary School	92	9	5	27	133
Glaisdale Primary School	138	45	5	120	308
Castleton Community Primary School	138	11	5	32	186
Yorkshire Endeavour Academy Trust	-	-	-	107	107
	<u>1,179</u>	<u>129</u>	<u>29</u>	<u>525</u>	<u>1,862</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	6,654	6,654
Current assets	130	476	42	648
Creditors due within one year	-	(226)	-	(226)
Provisions for liabilities and charges	-	(485)	-	(485)
	<u>130</u>	<u>(235)</u>	<u>6,696</u>	<u>6,591</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £000
Net income for the year (as per Statement of Financial Activities)	6,436
Adjustment for:	
Depreciation charges	78
Increase in debtors	(65)
Increase in creditors	226
Capital grants from DfE and other capital income	(25)
Defined benefit pension scheme obligation inherited	582
Defined benefit pension scheme cost less contributions payable	50
Defined benefit pension scheme finance cost	8
Assets from local authority on conversion	(6,716)
Cash inherited on conversion	(413)
Net cash provided by operating activities	161

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £000
Cash in hand	583
Total	583

20. CONVERSION TO AN ACADEMY TRUST

On 1 February 2018 Airy Hill Community Primary School, West Cliff Primary School, Lealholm Primary School, Glaisdale Primary School and Castleton Community Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Yorkshire Endeavour Academy Trust from North Yorkshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating Income and Expenditure Account.

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NOTES TO THE FINANCIAL STATEMENTS
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20. CONVERSION TO AN ACADEMY TRUST (continued)

Airy Hill Community Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	2,125	2,125
Other assets	4	-	-	4
Budget surplus/(deficit) on LA funds	45	-	1	46
LGPS pension surplus/(deficit)	-	(233)	-	(233)
Net assets/(liabilities)	49	(233)	2,126	1,942

West Cliff Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted Fixed Asset unds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	2,627	2,627
Other assets	2	-	-	2
Budget surplus/(deficit) on LA funds	18	-	4	22
LGPS pension surplus/(deficit)	-	(225)	-	(225)
Total	20	(225)	2,631	2,426

Lealholm Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted Fixed Asset unds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	638	638
Other assets	1	-	-	1
Budget surplus/(deficit) on LA funds	40	-	8	48
LGPS pension surplus/(deficit)	-	(35)	-	(35)
Total	41	(35)	646	652

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

20. CONVERSION TO AN ACADEMY TRUST (continued)

Glaisdale Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted Fixed Asset unds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	790	790
Other assets	1	-	-	1
Budget surplus/(deficit) on LA funds	25	223	8	256
LGPS pension surplus/(deficit)	-	(43)	-	(43)
Total	26	180	798	1,004

Castleton Community Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted Fixed Asset unds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	536	536
Other assets	1	-	-	1
Budget surplus/(deficit) on LA funds	26	-	7	33
LGPS pension surplus/(deficit)	-	(46)	-	(46)
Total	27	(46)	543	524

The above total net assets include £413,000 that were transferred as cash.

21. PENSION COMMITMENTS

The academy trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by North Yorkshire Country Council. Both are Multi-Employer Defined Benefit Pension Schemes.

As described in note 20 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the 1 February 2018. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £35,000 were payable to the schemes at 31 August 2018 and are included within creditors.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

21. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £105,000.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2018 was £82,000, of which employer's contributions totalled £63,000 and employees' contributions totalled £19,000. The agreed contribution rates for future years are 5.5%-6.8% for employers and 20.3% for employees.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

21. PENSION COMMITMENTS (continued)

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.

Principal actuarial assumptions:

	2018
Discount rate for scheme liabilities	2.80 %
Rate of increase in salaries	3.25 %
Rate of increase for pensions in payment / inflation	2.00 %
Inflation assumption (CPI)	2.00 %
Commutation of pensions to lump sums	75.00 %

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

	2018
Retiring today	
Males	22.9
Females	26.4
Retiring in 20 years	
Males	25.1
Females	28.7

	At 31 August
	2018
	£000
Sensitivity analysis	
Discount rate +0.1%	1,452
Discount rate -0.1%	1,525
Mortality assumption - 1 year increase	1,446
Mortality assumption - 1 year decrease	1,530
CPI rate +0.1%	1,510
CPI rate -0.1%	1,467

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

	Fair value at
	31 August
	2018
	£000
Equities	609
Property	79
Cash and other liquid assets	3
Government bonds	163
Other	149
Total market value of assets	1,003

The actual return on scheme assets was £52,000.

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

21. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £000
Current service cost	(113)
Interest income	14
Interest cost	(22)
	(121)
Total	(121)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £000
Upon conversion	1,453
Current service cost	113
Interest cost	22
Employee contributions	19
Actuarial gains	(117)
Benefits paid	(2)
	1,488
Closing defined benefit obligation	1,488

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

	2018 £000
Upon conversion	871
Interest income	14
Actuarial losses	38
Employer contributions	63
Employee contributions	19
Benefits paid	(2)
	1,003
Closing fair value of scheme assets	1,003

YORKSHIRE ENDEAVOUR ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

22. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £000
AMOUNTS PAYABLE:	
Within 1 year	2
Between 1 and 5 years	1
Total	<u>3</u>

23. 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure Related Party Transactions

R Scholey, spouse of P Scholey, a Trust member, is employed by the academy trust as a supply teacher. R Scholey was employed as a supply teacher prior to the conversion to an academy trust. R Scholey is paid within the normal teacher pay scale and receives no special treatment as a result of her relationship to a Trust member.

H Medcalf, spouse of D Medcalf, a Trustee, is employed by the academy trust as a supply teacher. H Medcalf was employed as a supply teacher prior to the conversion to an academy trust. H Medcalf is paid within the normal teacher pay scale and receives no special treatment as a result of her relationship to a Trustee.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

24. TEACHING SCHOOL TRADING ACCOUNT

	2018 £000	2018 £000
INCOME		
DIRECT INCOME		
Transfer from local authority on conversion	223	
DfE/ESFA Grants	31	
TOTAL DIRECT INCOME	254	
OTHER INCOME		
Other Grants	25	
Teacher training income	17	
TOTAL OTHER INCOME	42	
TOTAL INCOME		296
EXPENDITURE		
DIRECT EXPENDITURE		
Staff development	14	
OTHER EXPENDITURE		
Other staff costs	33	
Other support costs	65	
TOTAL EXPENDITURE		112
TRANSFERS BETWEEN FUNDS EXCLUDING DEPRECIATION		(9)
SURPLUS FROM ALL SOURCES		175
TEACHING SCHOOL BALANCES AT 20 OCTOBER 2017		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		175