

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Julian Coningham
Kate Amis
Brian Ledbetter
Martin Young
Rebecca Hossain (appointed 31 May 2021)

Trustees

Simon Bailey
Brian Ledbetter, Chair of Trustees
John Grove, Head Teacher
Julian Coningham (resigned 23 April 2021)
Rachael Dupont
Liz Stoyel, Deputy Chair
Geoff Morris
Karen Parkinson
Fergal Spencer
David Lapido (appointed 21 July 2021)

Company registered number

07768645

Company name

Quality First Education Trust

Principal and registered office

Belleville Road
London
SW11 6PR

Company secretary

Charlotte Meade

Senior leadership team

John Grove, Chief Executive Officer
Sarah Atherton, Belleville Junior Head Teacher
Mary-Lyne Latour, Belleville Infant Head Teacher
Seana Henry, Belleville Wix Head Teacher
Tom Hyndley, Churchfields Head Teacher
Ruth Hudson, Alton Head Teacher
Charlotte Meade, Director of Operations
Aderemi Shodipe, Director of Finance

Independent auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers

HSBC
16 King street
London
WC1V 6AY

Solicitors

Browne Jacobson LLB
77 Gracechurch Street
London
EC3V 0AS

QUALITY FIRST EDUCATION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Quality First Education Trust was established by Belleville Primary School, a large, outstanding school in south west London with over 900 children on two sites.

The Quality First Education Trust was established by Belleville Primary School in 2017. The trust operates four primary academy schools across south London: Belleville Primary School, Belleville Wix Academy, The Alton School and Churchfields Primary School. In 2020 the trust had a combined pupil roll of 1,854. The principal object of the trust is to provide education to pupils between the ages of 4 and 11.

Belleville Primary School, Belleville Road, London SW11 6PR

Headteacher Juniors: Sarah Atherton; Headteacher Infants: Mary Lyne Latour

Belleville Primary School was established in 1877 and has been an academy since 2011. Belleville is a large, popular and successful school, judged 'Outstanding' (Ofsted 2007). It is a designated National Support School, Teaching School, Maths Hub and Academy Sponsor, with a long history of supporting and improving schools. It has the largest primary intake in Wandsworth, with four forms of entry plus additional 'bulge' classes in some year groups. The school operates across two different sites approximately a mile apart, in the Clapham/Battersea area of the London Borough of Wandsworth. Belleville has a pupil capacity of 930 not including the nursery.

Belleville Wix Academy, Wix's Lane, London SW4 0AJ

Headteacher: Seana Henry

Belleville Wix Academy joined the Trust in August 2017 as a sponsored academy. Belleville Wix is a one and a half form entry school, very close to Clapham Common, in the London borough of Wandsworth. Belleville Wix shares its site with école de Wix, a French primary school which is annexed to the Lycée Charles de Gaulle in South Kensington. Belleville Wix runs a one form entry English stream and the école runs a one form entry French stream. The two schools collaborate to provide a one form entry bilingual stream. Following sponsorship by the Q1E trust, Belleville Wix was judged to be a 'Good' school in October 2019. Belleville Wix has a pupil capacity of 352, not including the nursery.

The Alton School, Danebury Avenue, London SW15 4PD

Headteacher: Ruth Hudson

The Alton School chose to convert to an academy and join the Trust in 2017. The Alton is an inclusive one form entry primary school in Roehampton, next to Richmond Park in the London borough of Wandsworth. It is home to a small Resource Base for children with moderate learning difficulties. The Alton has improved very significantly over recent years and its most recent Ofsted inspection in October 2019 judged it to be a 'Good' school. The Alton has a pupil capacity of 230, not including the nursery.

Churchfields Primary School

Headteacher: Tom Hyndley

Churchfields chose to convert to an academy and joined the Trust in November 2017. Churchfields is a two form entry primary school in Beckenham, in the London borough of Bromley. It houses a specialist unit for children with severe/complex learning difficulties, including social and communication difficulties. The school's most recent Ofsted inspection in May 2016 judged it to be a 'Good' school. Churchfields has a pupil capacity of 500 not including the nursery.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

a. Constitution

The Academy is a charitable 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 Quality First Education Trust are also the directors of the charitable company for the purposes of company law.

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

The principal object of the Academy is to provide education to students between the ages of 4 and 11.

b. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

c. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co opted under the terms of the articles of association and funding agreement. The recruitment and succession planning of Trustees must match Quality First Education Trust vision for the next five years. The skills profile of the Board must reflect the governance needs of the Trust.

The trust uses the NGA's MAT Trustee Skills Audit which assesses knowledge, experience, skills and behaviours of trustees in the following competency areas:

- Strategic leadership
- Accountability
- People
- Structures
- Compliance
- Evaluation.

This audit framework will be used to inform decision making during any recruitment process.

1. Create and distribute Trustee role specification

A 'Roles and Responsibilities' document outlining the expectations of a Trustee is circulated to all potential candidates.

2. Nominations

Nominations may be received from people outside the trust but a member of the Board or trusted staff member will take over as nominator in this case so that each candidate is 'owned' by someone within the organisation. The nominator should be prepared to champion the candidate through the selection process, advocate for the candidate's fit with the trust, coach the candidate, act as primary point of contact between the trust and the candidate, and support contract signing and on boarding.

3. Decision and appointment to the Board

Final ratification of a potential appointment is provided by the overall Board at the subsequent Board meeting. Once this has been approved, the trustees will make a recommendation to the Members. The Members appoint trustees by ordinary resolution..

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

New trustees are inducted into the workings of the trust. Training and induction will depend on their experience. An induction meeting (or series of meetings) is undertaken to provide training on:

- company and charity requirements
- educational, legal and financial matters
- the values, vision, strategy and objectives of the trust.

All new trustees are given a tour of at least one of the academies in the group. All trustees are provided with copies of the trust policies, procedures, budgets, plans and other documents that they will need to understand their role as trustees and directors of the trust.

Trustees may attend professional training courses to allow them to efficiently fulfil their duties. Ongoing training is encouraged for all trustees to ensure they continue to make an effective contribution and are keeping up to date with changes in legislation.

e. Organisational structure

The organisational structure of the Academy Trust consists of three levels:

- The Trust Board, which includes the Chief Executive Officer
- The Executive team (The Chief Executive Officer, Director of Finance and Director of Operations)
- The Headteachers of the Trust schools

Quality First Education Trust is governed by a board of directors (which is also the governing body) constituted under the memorandum and articles of association. The directors are responsible for ensuring that high standards of corporate governance are maintained, the directors exercise their powers and functions with a view to fulfilling a largely strategic leadership role in the running of the Quality First Education Trust and shall consider any advice given by the Executive Head, addressing such matters as:

- Policy development and strategic development,
- Ensuring compliance with legal requirements,
- Ensuring effective internal controls are in operation,
- The monitoring of performance,
- Helping the trust to be responsive to the needs of parents, carers and the Community,
- Setting the trust's standards of conduct and value, and
- Assessing and managing risk

There are ten full trust board meetings per year. There are two sub committees of the board. The finance and audit committee meets approximately once a term or when required. The headteacher pay committee meets annually.

The Trust also has local governing bodies (local governors) that report to the board of trustees. The delegated responsibilities of the local governing bodies are set out in the trust's scheme of delegation.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

f. Arrangements for setting pay and remuneration of key management personnel

The pay of all staff within the Quality First Education Trust is set within the parameters of the Quality First Education Trust Pay Policy. The performance of all staff is then monitored and evaluated against agreed objectives in line within the Q1ET Performance Management Policy.

The pay of senior staff in the multi academy trust including the executive headteacher is reviewed annually and is considered by the Trust Board. Until December 2018 this was done via the Trust Finance and Premises Committee and the Trust Staffing Committee. This is now done via the Trust Pay Committee.

The salary ranges of staff have been established by directors following a process local and regional comparison.

The pay of all heads of school and senior leadership staff is set within pay bands that are determined by the size and phase of the school and by factors such as comparisons of similar roles locally and the availability of suitably qualified and experienced staff.

All posts within the structure have detailed job descriptions which are subject to review from time to time, in consultation with staff, to reflect the changing needs of the school. Job descriptions are written with due regard to enabling staff to maintain a reasonable work/life balance.

Trade union facility time

No employees were relevant union officials during the period for the purposes of collective bargaining.?

g. Related parties and other connected charities and organisations

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations. It is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

Belleville PTA acts to raise money to improve the school environment for the children of Belleville School. Funds are spent on improving equipment and facilities in the School. The PTA is a registered charity (number 270097). Currently 1 Trustee of the School acts as a PTA Trustee. Churchfields School's PTA is also a registered charity (number 1033303).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

h. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy's equal opportunities policy, the Academy has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy's offices.

Objectives and activities

a. Objects and aims

The Trust has two principal Objects set out in its Articles of Association:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum;
- to promote for the benefit of individuals living in the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

b. Objectives, strategies and activities

Vision: As a Trust we have a relentless drive for improvement, excellence and equality. The way that we as schools and a Trust seek to provide excellence and equality is through education.

Aims: Our Trust aims are that all children:

- Are safe
- Are excellent learners
- Have excellent social and emotional skills
- Achieve and succeed

Core priorities: The two core priorities that are given particular focus for ongoing continuous improvement at the Quality First Education Trust are:

- **Quality First Education:** We believe that all children can learn and the better the teaching, the better their life chances. We seek to provide an excellent broad and balanced quality first education with a suitable focus on the core skills of literacy and numeracy. We believe that the quality of an education system cannot exceed the quality of its teachers. Quality First Education is shorthand for the principle that all children are entitled to high quality teaching and learning every day in all subjects.
- **Whatever It Takes:** We accept that many children at some stage in their lives will need more than the quality first education provides, and for these children at these times we will seek to do whatever it takes to help them. "Whatever it Takes" is whatever time and support is required for some children to ensure they fulfil their potential – in addition to (not instead of) the Quality First Education they receive.

Together these two core priorities can be seen to represent our philosophy of excellence and equality.

School specific priorities: For the reporting period September 2020 to August 2021 each school in the Trust had a separate school improvement plan, focusing on areas for development determined by safeguarding priorities, pupil performance outcomes, the standard of teaching, and specific operational matters. For the coming year we have developed a consistent format for these plans, ensuring they both draw on and feed into the Trust's overall plans.

Strategy: To achieve our aims we apply our school improvement mantra. This is shared with all Trustees as part of the Trust's improvement plan. The mantra is:

- Know where we are going
- Recruit, retain and develop excellent staff
- Ensure we know what to do
- Ensure we know why we are doing the job
- Ensure we have excellent skills to do the job
- Ensure we have excellent resources to do the job
- Ensure we do the job with excellence
- Monitor, evaluate and improve

Measures used to assess success: For the reporting period a set of Key Performance Indicators (KPIs) were agreed for all schools in the Trust, as detailed in the 'achievements and performance' section of this report. A 'data dashboard' report is used to capture each school's performance against the KPIs. This is submitted by each headteacher after the end of the academic year.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

c. Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

Historically, the trust board has rigorously monitored the performance of its schools using a regularly updated dashboard reporting system. The board has also previously set a number of Key Performance Indicators (KPIs), focusing largely on:

pupil attainment and progress, against previous years and the national average
Ofsted inspection outcomes.

These KPIs have underpinned the performance reviews of the headteachers and CEO, and headline performance data has been included in previous annual reports.

In the 2020 21 academic year (as in the 2019 20 academic year), the schools were not able to report in the same way due to the covid 19 pandemic and its impact on schools and summative data. There were no national assessments and none of the schools in the trust received Ofsted inspections. However, there are still key aspects of performance that can be highlighted.

We reported last year on trustees' pride in the achievements of the trust in managing the challenges and uncertainties of the covid 19 pandemic, in particular during the first 'lockdown' period from March 2020. In the 2020 21 academic year, the trust continued to take successful action to ensure learning continued and to ensure the safety and wellbeing of all those in the trust community. The trust and its schools continued to implement a high quality home learning strategy, providing progressive learning following the trust's planned curriculum. On site learning provision was facilitated for vulnerable and critical worker children throughout school closure

periods. Thorough risk assessment was undertaken by schools throughout the year, to reflect changing government guidance.

Curriculum development remained a key focus for the trust throughout the 2020 21 academic year. Despite the challenges and school closures caused by the pandemic, improvement work on the curriculum continued to be pursued at pace. Maths provision, one of our key strengths, remained impressive and the consistency of practice in the subject was developed even further during the year. Aspects of English provision also developed significantly with the embedding of a 'reciprocal reading' approach throughout our schools. More widely, improved curricula were embedded for foundation subjects, and we consulted upon and launched a brand new curriculum for relationships and sex education.

Staff development (and specifically teacher development) has continued to be a priority for the trust, underpinned by the belief that the quality of a school cannot exceed the quality of its teachers. We delivered a range of continuing professional development opportunities, from our three week induction for new teachers to half termly development sessions for senior leaders, and leadership coaching for heads.

We ended the year by introducing new curriculum focused 'advocate' roles across the trust, enabling teachers to take on an early leadership role in promoting best practice and consistency of teaching and learning in specific subject areas.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

a Key performance indicators

The key financial performance indicators are variations from Budget Forecasts. The Forecast sets out a structured and balanced three year plan and deviation from this would indicate a favourable or adverse financial position. Financial performance against the budget is monitored monthly and reported to the trust's Finance and Audit Committee termly. Specific analysis is made in relation to salary costs against the budgeted staff establishment.

The trust's aim is to minimise risk with any investments; the policy is therefore to invest reserves in low risk short term bank deposits. No reserves are currently invested as the priority since incorporation was to ensure sufficient working capital and to date all cash deposits have been held in instantly available deposit accounts.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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.

Financial review

Most of the trust's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of funds in the financial statements.

Financial position

The Quality First Education Trust fund balances at 31 August 2021 were in surplus by £32,764,704 (2020: £34,056,674). Total restricted funds at 31 August 2021 were in surplus by £29,962,458 (2020: £31,789,448) represented by the pension deficit, Fixed Asset Fund and the balance on teaching school. Unrestricted funds at 31 August 2021 were in surplus by £2,2 (2020: £2,267,226).

During the period, ESFA/LA grants totalled £11,194,477 (2020: £10,672,592). Other income included within restricted funds totalled to £2,802,246 (2020: £673,611) in respect of the teaching school. Restricted income fund expenditure totalled £12,448,515 (2020: £11,771,357).

The Trust also received grants for fixed assets from the ESFA. In accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Trust. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions since June 2016 have increased and it is expected that they will continue to increase further. Overall the academy has a healthy balance sheet and cashflow and will be using reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and the short term in conjunction with the school development plan and school aims.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

The director of finance (Chief Finance Officer) has reviewed the financial processes. During the 2020/21 academic year this included developing a clear financial scheme of delegation document. The trustees through the finance committee receive financial progress reports throughout the year and compare against budgets submitted to the Education Funding Agency. The finance committee also review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the aims of the schools.

The assets were used exclusively for providing education and the associated services to the pupils of the schools. The deficits in the Local Government Pension Schemes (LGPS) are recognised on the balance sheet in accordance with the provision of FRS102.

a. Reserves policy

The Trustees have reviewed the reserves of the Trust. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves.

The policy of the Trustees is to maintain a level of reserves that will be adequate to provide a stable basis for the continuing activity of the Academy Trust having in mind such factors as fluctuations in anticipated pupil numbers, whilst ensuring that excessive funds are not accumulated. This is assessed over a three year budget period. Large fluctuations due to pupil numbers are not anticipated and the policy is to maintain end of year reserves no less than 50% of one month's salary costs which is equal to £393,133. Reserves are currently higher than the target at £2,802,246 but in the next two years the school will have planned deficits which will be funded from reserves.

The level of reserves will be kept under review by the Trustees.

b. Investment policy

The Trust's aim is to minimise risk with any investments; the policy is therefore to invest reserves in low risk short term bank deposits. No reserves are currently invested as the priority since incorporation was to ensure sufficient working capital and to date all cash deposits have been held in instantly available deposit accounts.

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TRUSTEES' REPORT (CONTINUED)
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c. Principal risks and uncertainties

The board of trustees has assessed the major risks to which the trust is exposed, in particular those related to the operations and finances of the trust and each individual academy. The trust has a risk register and also a trust Risk Management Policy which was approved by the board in 2019. The trustees have requested that risk is added to the agenda of every board meeting, as a standing item.

The trust has a risk register, a trust risk management policy and now a Risk and Audit Committee, which was established in 2020/21. The trust has implemented systems to assess risks that the trust faces, especially in operational areas (e.g. in relation to teaching, standards, health and safety etc) and in relation to the control of finance. The trust has also introduced systems to minimise risk, including vetting staff and volunteers, premises management procedures and internal financial controls. Where significant financial risk still remains, the trust has ensured there is adequate insurance cover.

The principal risks and uncertainties facing the academy trust are:

Risk that an Ofsted inspection of any trust school results in a lower grading than the school's current grade. Mitigation: All schools are regularly monitored, including via a structured two day annual review based on the Ofsted framework. The trust monitors any changes in the Ofsted framework in order to identify any changes required to internal processes. The trust employs the services of two Ofsted inspectors to support monitoring activity.

Risk to the schools' ability to sustain high standards and results due to reduced central funding and/or inefficiency/inadequate financial control by the schools' leadership. Mitigation The government has already forewarned of reduced future funding for school. The Trust mitigates this risk (which is outside school control) by staying abreast of government plans and through thorough advanced financial planning on a 3 year cycle. The Schools have policies and procedures in place to prevent fraud and mis management, ensure value for money is achieved and takes into consideration national guidance and recommendations. The Trust's Finance Director has day to day responsibility for the Trust's financial affairs and monitors income and expenditure with the Head on a monthly basis.

Risk that the pension schemes are in significant deficit and that employer contributions increase and draw heavily on Trust funds, compromising their ability to investment in improvement. Mitigation the pension scheme is devolved to the LGPS & TPS, employer contributions decided on the basis of actuarial records and outside school control. Central administration of the scheme ensures correct employer contributions are defined.

Risk of falling demand for school places with resultant reduction in school funding. Mitigation: Local authority monitoring of birth rates and forecasting of demand for primary places. Trust and school level monitoring of applications, waiting lists, uptake and vacancies, and any known changes in local population demographics. Maintenance of high standards and results to ensure ongoing demand for places. Parental engagement to help ensure retention of current pupils.

Risk of uncontrolled major natural event that affects school eg. fire, flood. Mitigation by its nature the likelihood of this risk cannot be influenced. Response measures in place control impact. The Trust maintains a Disaster Recovery/Business Continuity Plan and runs an annual cascade contact test. The Finance Director is responsible for ensuring an effective Insurance policy is in place.

Risk that the Trust fails to comply with legislation and regulations (eg. Health and Safety, Employment law, Data Protection etc). Mitigation Trustees, SLT and Finance Director stay abreast of changes in legislation and regulations and new requirements on the Trust. A range of policies to ensure compliance are in place and regularly reviewed by the Trustees. The Trust buys in external advice and/or outsources to appropriately skilled bodies where necessary eg. local authority HR.

Risk of damage to the Trust's reputation arising from any cause eg. poor Ofsted report, actions of Trustees or staff, falling standards/results, adverse publicity, high profile complaint or incident. Trustees and Leadership

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TRUSTEES' REPORT (CONTINUED)
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demand high standards of conduct (including for themselves) and pursue high standards and achievement levels for pupils. Achievement against targets and progress and results achieved by pupils is regularly monitored by SLT, Trustees and SIP(s). The trust has carried out a skills review to ensure the correct set of skills are available on the Board.

Fundraising

No school within the MAT has employed an external fundraiser. All funds raised for each school were carried out by the PTA which aims to raise funds from parents and carers of current parents and operate at arms length from the schools. The PTA occasionally makes donations for specific purposes. No complaints were received as a result of the PTA's fundraising activity.

Plans for future periods

The Trust consisted of four schools at 31 August 2021. We remain keen to expand the trust to bring in new converter academies and/or to sponsor further schools in the future, should there be an appropriate opportunity. We are an accredited academy sponsor.

We meet with representatives of the Office of the Regional Schools Commissioner (Department for Education) for an annual trust review, to discuss priorities, capacity and future plans.

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2021 and signed on its behalf by:

Brian Ledbetter

Brian Ledbetter
(Chair of Trustees)

QUALITY FIRST EDUCATION TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (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 Quality First Education 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.

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GOVERNANCE STATEMENT (CONTINUED)

Governance

During the year there were two changes in personnel on the trust board:

Julian Coningham ended his term of office in March 2021 and stepped down from the board
David Ladipo was appointed as a trustee at the end of the summer term 2021.

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 18 times during the year. This included 10 scheduled full board meetings, and 8 extra ordinary board meetings held in response to school closures as a result of the covid 19 pandemic. Sub committee meetings for finance and audit were held in addition to this.

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

Trustee	Meetings attended	Out of a possible
Simon Bailey	16	18
Brian Ledbetter, Chair of Trustees	18	18
John Grove, Chief Executive Officer	18	18
Julian Coningham	14	14
Rachael Dupont	17	18
Liz Stoyel, Deputy Chair	16	18
Geoff Morris	18	18
Karen Parkinson	18	18
Fergal Spencer	17	18
David Lapido	0	0

In addition, trustees attended a trust wide governance event on Saturday 19th September, open to all members, trustees, local governors and senior leaders. Trustees were also welcome to attend school based INSET sessions.

Governance reviews

During the year Trustees have:

- Established a new Risk and Audit Committee in order to strengthen the board's ability to identify, agree, document and assess our key strategic risks and their mitigations.
- Continued to embed link roles for individual trustees including safeguarding, finance, and health & safety, with key monitoring responsibilities; plus new link roles for data protection and SEND/inclusion
- Monitored, reviewed and challenged all aspects of the Trust's performance and operations
- Reviewed and discussed sources of current evidence about the Trust schools including written reports from external experts. In 2020 21 these reviews included:
 - in depth reviews led by a current Ofsted inspector
 - joint reviews between headteachers and the CEO
 - internal and external audit report
- Held a number of additional, extra ordinary governance meetings during closure/lockdown periods
- Worked with trust leadership to ensure agile development of new policies, procedures and guidance where necessary in order to manage the challenges of the covid 19 pandemic.

Due to the impact of the covid 19 pandemic, associated school closures and government guidance, some of the board's normal monitoring activity has been affected this year. Trustees have not been able to undertake school visits or attend in person events as per previous years. The trust was also unable to commission an external review of safeguarding this year. This practice will be re established in 2021 22.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees and meets once a term

QUALITY FIRST EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

or when required.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Brian Ledbetter	8	8
Simon Bailey	8	8
John Grove, Chief Executive Officer	8	8
Liz Stoyel	8	8
Fergal Spencer	8	8

Review of value for money

As accounting officer, the Chief Executive Officer (CEO), has responsibility for ensuring that the Academy 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

- Ensuring there is comprehensive monitoring of spending and budgets to ensure that all spending is within the school's long term financial plan. This monitoring is undertaken by the Business Manager, Head teacher, School Trustees, and Internal and External Auditors.
- We have structured purchasing policies and guidelines. In addition a scheme of delegation clearly states individual levels of authority and accountability.
- A Risk Register records all the risks faced by the school, financial and otherwise. This register is reviewed annually by School Trustees.
- Effective Purchasing we have a dedicated member of staff responsible for all purchasing within the school. Having a dedicated purchasing officer allows the academy to seek best value on purchases. Several large contracts are awarded through contracts procured by Wandsworth Council. Such economies of scale create a better negotiating position and better value contracts. These contracts include those awarded for cleaning, catering and photocopying.
- Other large contracts are tendered for by the school in a timely manner. These contracts have recently included those for the provision of insurance and audit services.
- We discuss purchasing with other local academies at termly review meetings. These meetings facilitate discussion relating to the control of expenditure and best value for money.
- Income generation: The school takes opportunities to generate additional revenue, most notably through the lettings of school premises and some non grant funded Teaching School activities. The additional revenue is used by the school to fund spending on educational activities.

QUALITY FIRST EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Quality First Education Trust for the year 1 September 2020 to 31 August 2021 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 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's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor. Each school within the MAT has received two internal audit visits during the year.

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

- testing a sample of expenditure and income;
- checking and signing off petty cash and the Fund account;
- checking the payroll and staff contracts;
- providing a report and recommendations.

On a regular basis, the internal auditor reports to the Board of Trustees through the trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

QUALITY FIRST EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy 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 trustees committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on their behalf by:

Brian Ledbetter

Brian Ledbetter
Chair of Trustees

John Grove

John Grove
Accounting Officer

QUALITY FIRST EDUCATION TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Quality First Education Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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.



John Grove
Accounting Officer
Date: 8 December 2021

QUALITY FIRST EDUCATION TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 8 December 2021 and signed on its behalf by:

Brian Ledbetter

Brian Ledbetter
(Chair of Trustees)

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
QUALITY FIRST EDUCATION TRUST**

Opinion

We have audited the financial statements of Quality First Education Trust (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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

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

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

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

QUALITY FIRST EDUCATION TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
QUALITY FIRST EDUCATION TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy 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's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

QUALITY FIRST EDUCATION TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
QUALITY FIRST EDUCATION TRUST (CONTINUED)**

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.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Based on our understanding of the Academy, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the Academies Accounts Direction 2020 to 2021, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and HMRC;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and those around the financial year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.

QUALITY FIRST EDUCATION TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
QUALITY FIRST EDUCATION TRUST (CONTINUED)**

Use of our report

This report is made solely to the Academy'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 16/12/21

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QUALITY
FIRST EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated [enter date here] and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Quality First Education Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Quality First Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Quality First Education Trust's funding agreement with the Secretary of State for Education dated 1 October 2011 for Belleville Primary School, 11 July 2017 for Belleville Wix Academy, 25 July 2017 for Alton School and 1 November 2017 for Churchfields Primary School, and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

QUALITY FIRST EDUCATION TRUST
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QUALITY
FIRST EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the academy trust.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised
- Detailed testing on a selection of credit card statements and expense claims.
- Review of minutes, bank certificates and related party declarations provided by Trustees and senior management.

Conclusion

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



Haysmacintyre LLP

Reporting Accountants
10 Queen Street Place
London
EC4R 1AG

Date: 16/12/21

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	161,348	-	1,360,154	1,521,502	156,610
Other trading activities		472,741	-	-	472,741	472,512
Investments	7	362	-	-	362	3,062
Charitable activities:	4					
Funding for the academy trust's educational activities		390,668	11,194,477	-	11,585,145	11,088,506
Teaching School		-	540,399	-	540,399	511,563
Other income	8	22,640	-	-	22,640	131,114
Total income		1,047,759	11,734,876	1,360,154	14,142,789	12,363,367
Expenditure on:						
Raising funds		15,657	-	-	15,657	26,685
Charitable activities:	10					
Funding for the academy trust's educational activities		497,082	11,866,477	2,152,144	14,515,703	13,306,031
Teaching school		-	540,399	-	540,399	632,563
Total expenditure		512,739	12,406,876	2,152,144	15,071,759	13,965,279
Net movement in funds before other recognised gains/(losses)		535,020	(672,000)	(791,990)	(928,970)	(1,601,912)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(363,000)	-	(363,000)	(50,000)
Net movement in funds		535,020	(1,035,000)	(791,990)	(1,291,970)	(1,651,912)

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Reconciliation of funds:					
Total funds brought forward	2,267,226	(3,839,000)	35,628,448	34,056,674	35,708,586
Net movement in funds	535,020	(1,035,000)	(791,990)	(1,291,970)	(1,651,912)
Total funds carried forward	<u><u>2,802,246</u></u>	<u><u>(4,874,000)</u></u>	<u><u>34,836,458</u></u>	<u><u>32,764,704</u></u>	<u><u>34,056,674</u></u>

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

The notes on pages 32 to 60 form part of these financial statements.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07768645

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	34,836,458	35,628,448
		<u>34,836,458</u>	<u>35,628,448</u>
Current assets			
Stocks	17	9,737	21,386
Debtors	18	1,088,491	162,568
Cash at bank and in hand		3,408,965	2,926,522
		<u>4,507,193</u>	<u>3,110,476</u>
Creditors: amounts falling due within one year	19	(1,704,947)	(843,250)
Net current assets		<u>2,802,246</u>	2,267,226
Total assets less current liabilities		<u>37,638,704</u>	<u>37,895,674</u>
Net assets excluding pension liability		<u>37,638,704</u>	<u>37,895,674</u>
Defined benefit pension scheme liability	26	(4,874,000)	(3,839,000)
Total net assets		<u><u>32,764,704</u></u>	<u><u>34,056,674</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	34,836,458	35,628,448
Pension reserve	20	(4,874,000)	(3,839,000)
Total restricted funds	20	<u>29,962,458</u>	31,789,448
Unrestricted income funds	20	<u>2,802,246</u>	2,267,226
Total funds		<u><u>32,764,704</u></u>	<u><u>34,056,674</u></u>

The financial statements on pages 28 to 60 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

Brian Ledbetter

Brian Ledbetter
(Chair of Trustees)

The notes on pages 32 to 60 form part of these financial statements.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(877,991)	227,023
Cash flows from investing activities	23	1,360,516	69,520
Change in cash and cash equivalents in the year		482,525	296,543
Cash and cash equivalents at the beginning of the year		2,926,440	2,629,897
Cash and cash equivalents at the end of the year	24, 25	<u>3,408,965</u>	<u>2,926,440</u>

The notes on pages 32 to 60 form part of these financial statements

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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 raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 2%
Furniture and equipment	- 20%
Computer equipment	- 25%

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.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. 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.

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1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Fund accounting

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Capital Grants			
Condition improvement grants	-	1,322,857	1,322,857
Devolved capital formula	-	37,297	37,297
Subtotal	-	1,360,154	1,360,154
Donations	161,348	-	161,348
	-	-	-
Subtotal	161,348	-	161,348
	161,348	1,360,154	1,521,502

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Capital Grants			
Condition improvement grant	-	52,598	52,598
Devolved capital formula	-	45,241	45,241
Subtotal	-	97,839	97,839
Donations	58,771	-	58,771
	-	-	-
Subtotal	58,771	-	58,771
	58,771	97,839	156,610

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income from charitable activities - Funding for Academy's educational operations (see below)	-	10,211,178	10,211,178
Income from charitable activities -Local Authority Grants	-	983,299	983,299
Other educational income	390,668	-	390,668
Teaching school	-	540,399	540,399
	390,668	11,734,876	12,125,544

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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from charitable activities - Funding for Academy's educational operations	-	9,718,783	9,718,783
Income from charitable activities - Academy's Educational operations - Local Authority Grants	-	953,809	953,809
Other educational income	455,913	-	455,913
Teaching school	-	471,564	471,564
	<u>455,913</u>	<u>11,144,156</u>	<u>11,600,069</u>

5. Funding for the Academy's funding for academy's educational operations

	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants		
Pupil premium grants	572,447	572,447
Other DfE/ESFA grants		
General Annual Grant (GAG)	8,594,991	8,594,991
UFISM grants	329,450	329,450
Other ESFA grants	596,147	596,147
Covid Emergency Funds	118,143	118,143
	<u>10,211,178</u>	<u>10,211,178</u>
	<u>10,211,178</u>	<u>10,211,178</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Funding for the Academy's funding for academy's educational operations (continued)

	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
DfE/ESFA grants		
Pupil premium grants	418,558	418,558
Other DfE/ESFA grants		
General Annual Grant (GAG)	8,403,580	8,403,580
UFISM grants	327,817	327,817
Other ESFA grants	568,828	568,828
	<u>9,718,783</u>	<u>9,718,783</u>
	<u>9,718,783</u>	<u>9,718,783</u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

6. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Hire of facilities	457,304	457,304
School uniform sales	15,437	15,437
	<u>472,741</u>	<u>472,741</u>
	<u>472,741</u>	<u>472,741</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Hire of facilities	453,735	453,735
School uniform sales	18,777	18,777
	<u>472,512</u>	<u>472,512</u>
	<u>472,512</u>	<u>472,512</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Income from other trading activities (continued)

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	362	362

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	3,062	3,062

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £
Other income	22,640	22,640

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Other income	131,114	131,114

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on raising voluntary income:				
Direct costs	-	-	15,657	15,657
Funding for Academy's educational operations:				
Direct costs	8,242,624	-	1,707,556	9,950,180
Allocated support costs	1,938,797	1,960,337	1,183,713	5,082,847
Governance costs	-	-	23,075	23,075
	<u>10,181,421</u>	<u>1,960,337</u>	<u>2,930,001</u>	<u>15,071,759</u>
	<u><u>10,181,421</u></u>	<u><u>1,960,337</u></u>	<u><u>2,930,001</u></u>	<u><u>15,071,759</u></u>
	<i>Staff Costs 2020 £</i>	<i>Premises 2020 £</i>	<i>Other 2020 £</i>	<i>Total 2020 £</i>
Expenditure on raising voluntary income:				
Direct costs	-	-	26,685	26,685
Funding for Academy's educational operations:				
Direct costs	8,783,427	-	1,489,368	10,272,795
Allocated support costs	1,176,105	706,209	1,756,047	3,638,361
Governance costs	-	-	27,438	27,438
	<u>9,959,532</u>	<u>706,209</u>	<u>3,299,538</u>	<u>13,965,279</u>
	<u><u>9,959,532</u></u>	<u><u>706,209</u></u>	<u><u>3,299,538</u></u>	<u><u>13,965,279</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Funding for Academy's educational operations	497,082	14,535,945	15,033,027
Governance costs	-	23,075	23,075
	<u>497,082</u>	<u>14,559,020</u>	<u>15,056,102</u>

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Funding for Academy's educational operations	192,244	13,718,912	13,911,156
Governance costs	-	27,438	27,438
	<u>192,244</u>	<u>13,746,350</u>	<u>13,938,594</u>

11. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Funding for Academy's educational operations	9,950,180	5,082,847	15,033,027
Governance costs	-	23,075	23,075
	<u>9,950,180</u>	<u>5,105,922</u>	<u>15,056,102</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Funding for Academy's educational operations	10,272,795	3,638,361	13,911,156
Governance costs	-	27,438	27,438
	<u>10,272,795</u>	<u>3,665,799</u>	<u>13,938,594</u>

Analysis of support costs

	Funding for Academy's educational activities 2021 £	Governance costs 2021 £	Total funds 2021 £
Staff costs	1,938,797	-	1,938,797
Maintenance of premises and equipment	1,479,433	-	1,479,433
Governance costs	-	23,075	23,075
Pension finance costs	64,000	-	64,000
Recruitment and support	48,611	-	48,611
Other support costs	132,798	-	132,798
Professional costs	63,566	-	63,566
Cleaning	281,725	-	281,725
Office costs	122,598	-	122,598
Catering	539,728	-	539,728
Security and transport	21,842	-	21,842
Insurance	33,687	-	33,687
Utility costs	208,355	-	208,355
Rates	40,087	-	40,087
IT costs	107,091	-	107,091
Bank charges	529	-	529
	<u>5,082,847</u>	<u>23,075</u>	<u>5,105,922</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Funding for academy's educational activities 2020 £</i>	<i>Governance costs 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	1,755,105	-	1,755,105
Maintenance of premises and equipment	238,570	-	238,570
Governance costs	-	27,438	27,438
Pension finance costs	60,000	-	60,000
Recruitment and support	17,555	-	17,555
Other support costs	86,293	-	86,293
Professional costs	42,770	-	42,770
Cleaning	245,149	-	245,149
Office costs	138,390	-	138,390
Catering	515,238	-	515,238
Security and transport	37,382	-	37,382
Insurance	47,913	-	47,913
Utilities	191,970	-	191,970
Rates	40,224	-	40,224
IT costs	218,849	-	218,849
Bank charges and interest	2,953	-	2,953
	<u>3,638,361</u>	<u>27,438</u>	<u>3,665,799</u>

12. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	791,990	856,172
Fees paid to auditors for:		
- audit	15,100	14,450
- other services	5,300	5,050
	<u>812,390</u>	<u>875,672</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	7,281,593	7,106,562
Social security costs	30,139	70,107
Pension costs	2,720,425	2,649,301
	<u>10,032,157</u>	<u>9,825,970</u>
Agency staff costs	127,818	113,561
Appreniceship levy	21,446	20,001
	<u>10,181,421</u>	<u>9,959,532</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	111	104
Educational support	144	145
Administration and management	35	43
Premises	5	5
	<u>295</u>	<u>297</u>

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	5	3
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	2
	<u>10</u>	<u>8</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Staff (continued)

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,181,490 (2020 - £997,139).

14. Trustees' remuneration and expenses

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

		2021	2020
		£	£
John Grove - Head teacher	Remuneration	130,000 -	<i>120,000 -</i>
		135,000	<i>125,000</i>
	Pension contributions paid	25,000 -	<i>20,000 -</i>
		30,000	<i>25,000</i>

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

15. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme (2020 - cover was £10m).

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NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 September 2020	39,369,088	225,231	51,725	39,646,044
At 31 August 2021	<u>39,369,088</u>	<u>225,231</u>	<u>51,725</u>	<u>39,646,044</u>
Depreciation				
At 1 September 2020	3,761,012	204,859	51,725	4,017,596
Charge for the year	787,382	4,608	-	791,990
At 31 August 2021	<u>4,548,394</u>	<u>209,467</u>	<u>51,725</u>	<u>4,809,586</u>
Net book value				
At 31 August 2021	<u>34,820,694</u>	<u>15,764</u>	<u>-</u>	<u>34,836,458</u>
At 31 August 2020	<u>35,608,076</u>	<u>20,372</u>	<u>-</u>	<u>35,628,448</u>

17. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>9,737</u>	<u>21,386</u>

18. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	72,916	13,027
Prepayments and accrued income	879,799	52,748
VAT recoverable	135,776	96,793
	<u>1,088,491</u>	<u>162,568</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	£
Trade creditors	368,251	<i>49,613</i>
Other taxation and social security	177,578	<i>172,379</i>
Other creditors	82	<i>137,930</i>
Accruals and deferred income	1,159,036	<i>483,328</i>
	<u>1,704,947</u>	<i><u>843,250</u></i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds					
General Funds	2,267,226	1,047,759	(512,739)	-	2,802,246
Restricted general funds					
General Annual Grant	-	8,594,991	(8,594,991)	-	-
Pupil Premium grants	-	572,447	(572,447)	-	-
UFISM grants	-	329,450	(329,450)	-	-
Covid emergency grants	-	118,143	(118,143)	-	-
Other ESFA grants	-	596,147	(596,147)	-	-
Local Authority grants	-	983,299	(983,299)	-	-
Teaching School	-	540,399	(540,399)	-	-
Pension reserve	(3,839,000)	-	(672,000)	(363,000)	(4,874,000)
	<u>(3,839,000)</u>	<u>11,734,876</u>	<u>(12,406,876)</u>	<u>(363,000)</u>	<u>(4,874,000)</u>
Restricted fixed asset funds					
Devolved capital formula	-	32,797	(32,797)	-	-
Fixed asset fund	35,628,448	1,327,357	(2,119,347)	-	34,836,458
	<u>35,628,448</u>	<u>1,360,154</u>	<u>(2,152,144)</u>	<u>-</u>	<u>34,836,458</u>
Total Restricted funds	<u>31,789,448</u>	<u>13,095,030</u>	<u>(14,559,020)</u>	<u>(363,000)</u>	<u>29,962,458</u>
Total funds	<u>34,056,674</u>	<u>14,142,789</u>	<u>(15,071,759)</u>	<u>(363,000)</u>	<u>32,764,704</u>

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

[For each fund held during the year provide a description of how the fund has arisen and the nature of any restrictions imposed as well as any material transfers between different classes of funds.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General Funds	2,457,246	1,133,171	(1,239,910)	(83,281)	-	2,267,226
	<u>2,457,246</u>	<u>1,133,171</u>	<u>(1,239,910)</u>	<u>(83,281)</u>	<u>-</u>	<u>2,267,226</u>
Restricted general funds						
GAG	-	8,403,579	(8,403,579)	-	-	-
Pupil Premium grants	-	418,558	(418,558)	-	-	-
UFISM grants	-	327,817	(327,817)	-	-	-
Other ESFA grants	-	568,829	(568,829)	-	-	-
Local Authority grants	-	913,809	(913,809)	-	-	-
Teaching School	-	499,765	(499,765)	-	-	-
Pension reserve	(3,150,000)	-	(639,000)	-	(50,000)	(3,839,000)
	<u>(3,150,000)</u>	<u>11,132,357</u>	<u>(11,771,357)</u>	<u>-</u>	<u>(50,000)</u>	<u>(3,839,000)</u>
Restricted fixed asset funds						
ESFA grant	-	97,839	(97,839)	-	-	-
Fixed asset fund	36,401,340	-	(856,173)	83,281	-	35,628,448
	<u>36,401,340</u>	<u>97,839</u>	<u>(954,012)</u>	<u>83,281</u>	<u>-</u>	<u>35,628,448</u>
Total Restricted funds	<u>33,251,340</u>	<u>11,230,196</u>	<u>(12,725,369)</u>	<u>83,281</u>	<u>(50,000)</u>	<u>31,789,448</u>
Total funds	<u><u>35,708,586</u></u>	<u><u>12,363,367</u></u>	<u><u>(13,965,279)</u></u>	<u><u>-</u></u>	<u><u>(50,000)</u></u>	<u><u>34,056,674</u></u>

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20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Belleville Primary School	1,819,662	1,526,460
Belleville Wix Academy	951,867	633,738
Alton School	344,193	251,877
Churchfields Primary School	(313,476)	(144,849)
Total before fixed asset funds and pension reserve	2,802,246	2,267,226
Restricted fixed asset fund	34,836,458	35,628,448
Pension reserve	(4,874,000)	(3,839,000)
Total	32,764,704	34,056,674

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20. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Belleville Primary School	3,318,090	471,849	432,841	1,522,641	5,745,421
Belleville Wix Academy	1,319,048	325,925	58,032	829,220	2,532,225
Alton School	1,231,168	259,231	39,059	508,835	2,038,293
Churchfields Primary School	2,070,961	319,948	58,624	832,959	3,282,492
Depreciation	-	-	-	791,989	791,989
Central services	303,358	292,844	5,259	79,878	681,339
Academy	8,242,625	1,669,797	593,815	4,565,522	15,071,759

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2020 £</i>
Belleville Primary School	3,367,543	703,862	57,631	1,581,038	5,710,074
Belleville Wix Academy	1,423,517	251,949	84,046	491,977	2,251,489
Alton School	1,058,970	358,736	23,948	269,622	1,711,276
Churchfields Primary School	1,949,127	286,410	81,062	468,150	2,784,749
Depreciation	-	-	-	856,442	856,442
Central services	398,115	154,147	4,856	94,131	651,249
Academy	8,197,272	1,755,104	251,543	3,761,360	13,965,279

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21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	34,836,458	34,836,458
Current assets	4,507,193	-	-	4,507,193
Creditors due within one year	(1,704,947)	-	-	(1,704,947)
Provisions for liabilities and charges	-	(4,874,000)	-	(4,874,000)
Total	2,802,246	(4,874,000)	34,836,458	32,764,704

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	35,628,448	35,628,448
Current assets	3,110,476	-	-	3,110,476
Creditors due within one year	(843,250)	-	-	(843,250)
Provisions for liabilities and charges	-	(3,839,000)	-	(3,839,000)
Total	2,267,226	(3,839,000)	35,628,448	34,056,674

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(928,970)	(1,601,912)
Adjustments for:		
Depreciation	791,990	856,172
Capital grants from DfE and other capital income	(1,360,154)	(97,839)
Interest receivable	(362)	(3,062)
Defined benefit pension scheme cost less contributions payable	608,000	579,000
Defined benefit pension scheme finance cost	64,000	60,000
Decrease in stocks	11,649	892
(Increase)/decrease in debtors	(925,923)	343,915
Increase in creditors	861,779	89,857
Net cash (used in)/provided by operating activities	(877,991)	227,023

23. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	362	3,062
Purchase of tangible fixed assets	-	(31,381)
Capital grants from DfE Group	1,360,154	97,839
Net cash provided by investing activities	1,360,516	69,520

24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	3,408,965	2,926,440
Total cash and cash equivalents	3,408,965	2,926,440

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25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,926,522	482,443	3,408,965
	<u>2,926,522</u>	<u>482,443</u>	<u>3,408,965</u>

26. Pension commitments

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,355,711 (2020: £1,354,556) and at the year-end £89,847 (2020 - £64,966) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

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

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

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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £608,000 (2020 - £596,000), of which employer's contributions totalled £454,000 (2020 - £455,000) and employees' contributions totalled £154,000 (2020 - £141,000). The agreed contribution rates for future years are 19 per cent for employers and 7.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, 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 year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Local Government Pension Scheme

	2021	<i>2020</i>
	%	%
Rate of increase in salaries	3.9	3.25
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.6
Inflation assumption (CPI)	2.9	2.2

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

	2021	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	21.6	22.05
Females	24.3	24.6
<i>Retiring in 20 years</i>		
Males	22.9	23.58
Females	25.7	26.25

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26. Pension commitments (continued)

Sensitivity analysis

Local Government Pension Scheme

	2021	<i>2020</i>
	£000	<i>£000</i>
Discount rate +0.1%	(344)	<i>(276)</i>
Discount rate -0.1%	367	<i>292</i>
Mortality assumption - 1 year increase	(369)	<i>(292)</i>
Mortality assumption - 1 year decrease	345	<i>278</i>
CPI rate +0.1%	367	<i>284</i>
CPI rate -0.1%	(344)	<i>(278)</i>
	=====	<i>=====</i>

Share of scheme assets

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

	2021	<i>2020</i>
	£	<i>£</i>
Equities	5,901,000	<i>4,558,000</i>
Gilts	164,000	<i>221,000</i>
Corporate bonds	1,235,000	<i>943,000</i>
Property	839,000	<i>569,000</i>
Cash and other liquid assets	734,000	<i>331,000</i>
Multi-asset funds	604,000	<i>776,000</i>
	=====	<i>=====</i>
Total market value of assets	9,477,000	<i>7,398,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £1,378,000 (2020 - £105,000).

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

	2021	<i>2020</i>
	£	<i>£</i>
Current service cost	(1,196,000)	<i>(1,034,000)</i>
	=====	<i>=====</i>

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26. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	11,237,000	9,755,000
Current service cost	1,196,000	1,034,000
Interest cost	186,000	184,000
Employee contributions	154,000	141,000
Actuarial losses	1,741,000	155,000
Benefits paid	(163,000)	(32,000)
At 31 August	14,351,000	11,237,000

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

	2021 £	2020 £
At 1 September	7,398,000	6,605,000
Interest income	127,000	130,000
Actuarial gains	1,378,000	105,000
Employer contributions	454,000	455,000
Employee contributions	154,000	141,000
Benefits paid	(29,000)	(32,000)
Administration expenses	(5,000)	(6,000)
At 31 August	9,477,000	7,398,000

27. Members' liability

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

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NOTES TO THE FINANCIAL STATEMENTS
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28. Related party transactions

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

The charity employs the wife and daughter of the Executive Head Teacher, John Grove, who is also a trustee. They earned £63,319 (2020 £61,624) and £33,658 (2020 - £30,480) respectively.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

29. Teaching school trading account

	2021 £	2021 £	2020 £	2020 £
Income				
DIRECT INCOME				
Grants from National Teaching College	582,038		685,017	
Total income		582,038		685,017
Expenditure				
DIRECT EXPENDITURE				
Other direct costs	438,527		625,372	
Allocation of overheads	100,485		-	
Total expenditure		539,012		625,372
Surplus from all sources		43,026		59,645
Teaching school balances at 1 September 2020		(57,161)		(116,806)
Teaching school balances at 31 August 2021		(14,135)		(57,161)

