
QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1
Trustees' Report	2 - 8
Governance Statement	9 - 12
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees' Responsibilities	14
Independent Auditors' Report on the Financial Statements	15 - 18
Independent Reporting Accountant's Report on Regularity	19 - 20
Statement of Financial Activities Incorporating Income and Expenditure Account	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24 - 48

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023

Members:	Kate Amis Julian Coningham Rebecca Hossain Brian Ledbetter Martin Young (to December 2022)
Trustees:	Simon Bailey John Grove David Ladipo Brian Ledbetter Geoff Morris Karen Parkinson Helen Powell Fergal Spencer Elizabeth Stoyel
Company Secretary:	Charlotte Meade
Senior Management 2022-23:	John Grove, Chief Executive Officer Aderemi Shodipe, Director of Finance Charlotte Meade, Director of Operations John Budden, Executive Headteacher, Belleville Primary School Mary Lyne Latour, Headteacher, Belleville Primary School Seana Henry, Headteacher, Belleville Wix Academy Sarah Atherton, Headteacher, Churchfields Primary School Linsay Thomas, Headteacher, The Alton Primary School
Company Name:	Quality First Education Trust
Registered Office:	Belleville Primary School, Belleville Road, London SW11 6PR
Company Registration Number:	07768645
Independent Auditor:	BKL Audit LLP 35 Ballards Lane London N3 1XW
Bankers:	HSBC BANK 16 King Street London WC1V 6AY LLOYDS BANK 39 Threadneedle St London EC2R 8AU
Solicitors:	Browne Jacobson LLB 77 Gracechurch Street London EC3V 0AS

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year / period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates four academies for pupils aged 3 to 11:

- Belleville Primary School in Clapham which has a pupil capacity of 1046 (including 26 in the nursery) and had a roll of 940 in the school census undertaken in October 2023.
- Belleville Wix Academy in Battersea which has a pupil capacity of 364 (including 26 in the nursery) and had a roll of 287 in the school census undertaken in October 2023.
- The Alton School in Roehampton which has a pupil capacity of 256 (including 26 in the nursery and 20 in a Resource Base) and had a roll of 188 in the school census undertaken in October 2023.
- Churchfields Primary School in Beckenham which has a pupil capacity of 524 (including 26 in the nursery and 18 in a Resource Base) and had a roll of 457 in the school census undertaken in October 2023.

Structure, Governance and Management

Constitution

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

The trustees of 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 the preceding pages of this document.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

Method of Recruitment and Appointment or Election of Trustees

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The CEO of the trust
- Up to 8 trustees appointed by the members

The term of office for any trustee is normally 4 years. The CEO's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, safeguarding, legal and financial matters. Trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand as trustees and directors of the academy.

Organisational Structure

The academy trust has established a management structure to enable its efficient running. The structure consists of two levels: the trustees, and the executives who are the senior leadership team.

The trust board has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the trust and monitor its progress towards these objectives.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Organisational Structure (continued)

The trust board has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The CEO is directly responsible for the day to day running of the trust and is assisted by a senior leadership team, including the headteachers/ executive headteachers of each school.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academies within the trust by use of budgets and making major decisions about the direction of the trust, including capital expenditure. The CEO assumes the accounting officer role.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The Board has delegated the arrangement for setting the pay and remuneration for the CEO to the remuneration committee whose members comprise three trustees. This committee reviews the performance of the CEO and ensures that succession planning is in line with the plans of the Trust.

The Trust scheme of delegation sets out the responsibility for pay increases for all staff to the relevant headteacher within the pay structure set by the CEO and the pay committee.

Trade Union Facility Time

No trade union facility time is spent.

Related Parties and other Connected Charities and Organisations

PTAs

Engagement with Employees (including disabled persons)

The trust strives to ensure that no employee or potential employee will receive less favourable treatment due to their disability. The Trust's approach to selection and recruitment is designed to meet the standards set out within the context of the Equality Act 2010 as a minimum.

Engagement with Suppliers, Customers and Other in a Business Relationship with the Trust.

The Trust works with a range of suppliers both locally and centrally, whilst aiming to put control and responsibility as near as possible to the point of need of an Academy. Q1ET has policies and procedures in place to ensure the Trust can obtain works, goods and services based on the achievement of value for money through good procurement practice. At the same time as seeking value for money from suppliers, the Trust seeks to manage risk appropriately and ensure acceptable quality of goods and services, whilst protecting the reputation of the Trust in its business relationships. The Trust additionally seeks to ensure fairness as a key objective within business relationships during tendering and procurement processes – ensuring all parties are treated in a fair and equitable manner.

Objectives and Activities

Objects and Aims

The principal object and activity of the academy trust is the operation of the Quality First Education Trust to provide a broad and balanced education for pupils of all abilities, as set out in the articles of association. The trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the trust.

Objectives, Strategies and Activities

Public Benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit. As an academy trust we make the best use of our skills, expertise and experience with regards to the community.

Strategic Report - Achievements and Performance

The Quality First Education Trust had a successful year in 2022-23 in terms of educational achievements and performance.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Educational attainment 2022-23

The table below illustrates our school performance against the key primary school attainment measures in 2022-23. In general this was very positive.

- All four schools outperformed the national average percentage of children reaching a 'good level of development' by the end of the Early Years Foundation Stage
- All four schools significantly outperformed the national average percentage of children passing the year 1 phonics screening test.
- At the end of Key Stage 1, all four of our schools outperformed the national average in attaining the expected standard in reading, writing and maths. Most schools also matched or outperformed the national average in attaining the higher standard (greater depth) in reading, writing and maths.
- At the end of Key Stage 2, three out of four of our schools significantly outperformed the national average in both the expected standard and the higher standard in reading, writing and maths.

Stage	Measure		National average 2022-23	The Alton School 2022-23	Belleville Primary School 2022-23	Belleville Wix Academy 2022-23	Churchfields Primary School 2022-23
EYFS	Good Level of Development		67	75	81	87	85
Year 1	Passed phonics test		79	91	91	88	83
End of KS1 (Year 2)	Reading	Expected Standard	68	70	83	76	71
		Higher Standard	19	20	48	24	16
	Writing	Expected Standard	60	65	79	73	65
		Higher Standard	8	20	16	5	12
	Maths	Expected Standard	70	85	83	89	73
		Higher Standard	16	35	38	43	18
End of KS2 (Year 6)	Reading Writing & Maths combined	Expected Standard	59	50	77	80	81
		Higher Standard	8	11	34	24	20
	Reading	Expected Standard	73	56	86	84	87
		Higher Standard	29	11	54	52	58
	Writing	Expected Standard	71	72	86	88	89
		Higher Standard	13	17	41	24	29
	Maths	Expected Standard	73	67	84	96	83
		Higher Standard	24	17	49	48	33

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Pupil numbers and applications

Across the trust, an increased emphasis was placed on improving school roll during 2022-23, with successful results. Application data shows that all four schools are recruiting well, when compared with other schools in their immediate localities, both in terms of overall application numbers, and first preference applications. All four schools improved their overall roll between September 2022 and September 2023.

School	Pupil roll as at October 2022 Census	Pupil roll as at October 2023 Census
Belleville Primary School	901	940
Belleville Wix Academy	263	287
Churchfields Primary School	454	457
The Alton School	174	188

Key Performance Indicators

The trust's Key Performance Indicators are applied to a range of key metrics, for each school.

i) To maintain or improve the school's Ofsted judgement

All schools have met this KPI this year. None of the trust's schools were inspected during 2022-23.

ii) To improve on the national average attainment data at each key stage, for all core subjects

This KPI was met in most areas by most schools, as illustrated in the table above. Notably, The Alton School did not exceed the national average attainment in a number of subjects at Key Stage 2, predominantly due to a Year 6 cohort with high needs and high mobility.

iii) To improve on the previous year's attainment data at each key stage, for all core subjects

No primary test or assessment data has been published nationally for 2020, 2021 or 2022. The DfE recommends not making direct comparisons with school-level data from these years, due to the uneven impact of the covid-19 pandemic. The last comparative year of publication was 2019-20, however the DfE suggests that this data may no longer reflect a school's current performance.

Going Concern

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

Strategic Report - Financial Review

Finance Review

For the year ended 31 August 2023, total expenditure (excluding restricted fixed asset funds) of £13,631,926 (2022: £13,776,692) was incurred. The excess income over Expenditure for the period (excluding restricted fixed asset funds and before funds transfers) was £423,492 (2022: excess of income over expenditure £239,637).

At 31 August 2023 the net book value of fixed assets was £33,268,394 (2022: £34,033,312) and movements in tangible fixed assets are shown in the notes to the financial statements.

The current pension financial position relating to staff employed who are members of the Local Government Pension Scheme. Details are given in the notes to the financial statements.

Most of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'.

This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the academy trust has or can make available to spend for any or all of the Academy Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the academy trust and is to be spent at the Trustees' discretion in furtherance of any of the academy trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the academy trust.

Total reserves at the end of the period amounted to £3.46M. This balance includes unrestricted funds (free reserves) of £3.46M which are considered appropriate for the Academy Trust, and restricted funds of £Nil.

The trust board have determined that the appropriate level of free reserves should be a sum equivalent to at least 0.5 of one month's payroll, approximately £467K. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies.

The amount of designations made in relation to the unrestricted reserves totals to £3,465,105 and £201k relating to the following specific capital projects:

- Heating distribution upgrade projects at Belleville Primary School and Belleville Wix Academy
- Fire compliance projects at Belleville Primary School and Belleville Wix Academy
- Safeguarding project at Churchfields Primary, focusing on doors, security and perimeter fencing

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

Investment Policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2023, no investments were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register and a key risk overview matrix have been established and are updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Principal Risks and Uncertainties (continued)

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, safeguarding and health and safety) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2023. 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.

Fundraising

Due consideration is given at all times to ensuring that no fundraising practices are unreasonably intrusive or apply undue pressure especially with regard to vulnerable persons.

No school within the MAT has employed an external fundraiser. All funds raised for each school were carried out by the PTA's which aims to raise funds from parents and carers of current parents and operate at arm's 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.

Measures taken to improve energy efficiency

QIET have undertaken a number of heating projects across the MAT over the past few years, replacing the boilers at Belleville School, Belleville Wix and planning overall heating upgrade at both schools. A recent electrical upgrade at Belleville and Belleville Wix in relation to fire compliance and also replacing lighting with more energy efficient LED lighting and have a rolling replacement schedule.

Plans for Future Periods

The Trust has built and developed an effective school improvement team and structure to drive and sustain improvement in all our schools. In order to achieve this, the Trust recognises that it needs to recruit and retain the most talented staff and over recent years we have placed increased focus on ways in which the Trust can ensure it is an employer of choice. This work will continue in the coming years.

Over the course of 2023-24 in particular we are also developing a stronger structure for monitoring and improving health and safety, which will be tied into ongoing work on the condition of our buildings.

An additional notable project during 2023-24 is the planned expansion and re-designation of the Resource Base at The Alton School, in order to better meet the needs of local pupils, and support the longer term viability of the provision.

We remain keen to expand the trust in future by bringing in additional converter academies, establishing an additional free school, and/or sponsoring further schools facing challenging circumstances, should there be an appropriate opportunity. We are an accredited academy sponsor and have strong central capacity in place. The Trust is in regular conversation with representatives of the Regional Director's office at the Department for Education.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and its trustees did not act as custodian trustee during the current or previous period.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2023 and signed on the board's behalf by:

Brian Ledbetter

Brian Ledbetter
Chair of Trustees

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that the 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 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 the Quality First Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 10 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Full board

Trustee	Meetings attended	Out of a possible
Simon Bailey	7	9
Rachael Dupont	3	4
John Grove	10	10
David Ladipo	7	9
Brian Ledbetter	8	10
Geoff Morris	8	9
Karen Parkinson	8	10
Helen Powell	4	5
Fergal Spencer	8	9
Elizabeth Stoyel	7	8

Finance and premises committee

Trustee	Meetings attended	Out of a possible
Simon Bailey	2	2
Brian Ledbetter	2	2
Fergal Spencer	2	2
Elizabeth Stoyel	2	2

Note: The CEO was also in attendance at all Finance Committee meetings.

Summary

During the 2022-23 year, one trustee resigned from the board (Rachael Dupont) and two new trustees were appointed (David Ladipo and Helen Powell).

Five trustees were re-appointed for a new term of office during the year (Simon Bailey, Geoff Morris, Karen Parkinson, Fergal Spencer and Elizabeth Stoyel).

The board receives an executive report in advance of each meeting. This presents information from the executive team, covering academic performance, the quality of teaching and learning, safeguarding, finance and

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

policy.

The trust board maintains an up to date and complete register of pecuniary interests. Additionally, at each meeting of the trust board, trustees are explicitly asked to declare any potential conflicts of interest.

The board maintains effective oversight of funds by ensuring at least six meetings of the full trust board per year. Additionally there are on average three meetings of the finance committee per year.

The finance and premises committee is a sub-committee of the main board of trustees. Its purpose is to support the CEO (Accounting Officer), his team and the trust board in their duties in overseeing and ensuring effective financial performance, and ensuring the trust is financially sustainable.

The board regularly undertakes a self-assessment using the NGA skills audit for MAT trustees. This was last undertaken in September 2022. No areas of weakness were identified.

Review of value for money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework 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
- the Academy Trust continues to widen its programme of sharing resources across the member schools to achieve efficiency.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Quality First Education Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 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 trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and 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 Directors has decided buy-in an internal audit service from Emmanuel Ernest & Co., Chartered Certified Accountants.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included a review of the controls and processes in place within the Trust.

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

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken

There were no material control issues raised during the year. Other issues have been addressed.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to address weaknesses [if relevant] and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on their behalf by:

Brian Ledbette

Brian Ledbetter
Chair of Trustees



John Grove
Accounting Officer

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

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 Academy Trust Handbook 2022.

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 Academy Trust Handbook 2022.

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: 7 December 2023

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023;
- 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 7 December 2023 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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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
(A Company Limited by Guarantee)

**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 Statement of Trustees' Responsibilities, 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
(A Company Limited by Guarantee)

**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:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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
(A Company Limited by Guarantee)

**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.

Edward Passmore

Edward Passmore FCA (Senior Statutory Auditor)

for and on behalf of

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

29/12/2023

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 23 November 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the 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:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

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 & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 29/12/2023

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Note					
Income from:					
Donations and capital grants	3	115,287	-	3,131,610	2,149,250
Other trading activities	5	597,232	-	597,232	550,550
Investments	6	424	54,000	-	426
Charitable activities	4	827,787	11,925,626	-	11,982,591
Teaching schools		-	441,062	-	418,039
Total income		1,540,730	12,420,688	3,131,610	17,093,028
Expenditure on:					
Raising funds		-	13,418	-	8,841
Charitable activities	8	524,939	12,733,213	2,707,757	16,075,823
Teaching schools		-	360,356	-	321,878
Total expenditure		524,939	13,106,987	2,707,757	16,406,542
Net income/(expenditure)		1,015,791	(686,299)	423,853	753,345
Transfers between funds	18	(592,299)	592,299	-	-
Net movement in funds before other recognised gains		423,492	(94,000)	423,853	753,345
Other recognised gains:					
Actuarial gains on defined benefit pension schemes	24	-	94,000	-	5,899,000
Net movement in funds		423,492	-	423,853	847,345
Reconciliation of funds:					
Total funds brought forward		3,041,613	-	34,316,405	32,764,704
Net movement in funds		423,492	-	423,853	4,593,314
Total funds carried forward		3,465,105	-	34,740,258	38,205,363

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

The notes on pages 24 to 48 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £	2022 £
Fixed assets				
Tangible assets	14		33,277,565	34,033,312
			<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
			33,277,565	34,033,312
Current assets				
Stocks	15	7,511	8,447	
Debtors	16	1,900,517	284,172	
Cash at bank and in hand		4,025,852	4,039,054	
			<hr style="width: 100%;"/>	
		5,933,880	4,331,673	
Creditors: amounts falling due within one year	17	(1,006,082)	(1,006,967)	
			<hr style="width: 100%;"/>	
Net current assets			4,927,798	3,324,706
			<hr style="width: 100%;"/>	
Total assets less current liabilities			38,205,363	37,358,018
			<hr style="width: 100%;"/>	
Total net assets			38,205,363	37,358,018
			<hr style="width: 100%;"/>	
Funds of the Academy				
Restricted funds:				
Fixed asset funds	18	34,740,258	34,316,405	
			<hr style="width: 100%;"/>	
Restricted funds	18	34,740,258	34,316,405	
Unrestricted income funds	18	3,465,105	3,041,613	
			<hr style="width: 100%;"/>	
Total funds			38,205,363	37,358,018
			<hr style="width: 100%;"/>	

The financial statements on pages 21 to 48 were approved by the Trustees, and authorised for issue on 07 December 2023 and are signed on their behalf, by:

Brian Ledbetter

Brian Ledbetter
Chair of Trustees

The notes on pages 24 to 48 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 2023

	Note	2023	2022
		£	£
Cash flows from operating activities			
Net cash used in operating activities	20	(2,064,637)	<i>(1,480,170)</i>
Cash flows from investing activities	21	2,051,435	<i>2,110,259</i>
Change in cash and cash equivalents in the year		(13,202)	<i>630,089</i>
Cash and cash equivalents at the beginning of the year		4,039,054	<i>3,408,965</i>
Cash and cash equivalents at the end of the year	22, 23	4,025,852	<i>4,039,054</i>

The notes on pages 24 to 48 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 2023

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 2022 to 2023 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.

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy, can be reliably measured.

• **Donations**

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

• **Other income**

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

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 £5,000 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 straight line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

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

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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 16. 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 17. 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.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 24, 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 2023. 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 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	115,287	-	115,287
Capital Grants	-	3,131,610	3,131,610
	115,287	3,131,610	3,246,897
	<i>Unrestricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	39,453	-	39,453
Capital Grants	-	2,109,797	2,109,797
	39,453	2,109,797	2,149,250

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
DfE/ESFA grants			
General Annual Grants	-	9,276,263	9,276,263
Other DfE/ESFA grants			
Pupil premium	-	479,520	479,520
UFISM	-	305,650	305,650
Others	-	527,657	527,657
		<hr/>	<hr/>
	-	10,589,090	10,589,090
Other Government grants			
Local Government Grants	-	1,317,042	1,317,042
		<hr/>	<hr/>
	-	1,317,042	1,317,042
Other income from the Academy's charitable activities	827,787	19,494	847,281
	<hr/>	<hr/>	<hr/>
	827,787	11,925,626	12,753,413
	<hr/>	<hr/>	<hr/>
	827,787	11,925,626	12,753,413
	<hr/>	<hr/>	<hr/>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
DfE/ESFA grants			
General Annual Grants	-	9,196,850	9,196,850
Other DfE/ESFA grants			
Other ESFA grants	-	298,658	298,658
Pupil premium	-	425,873	425,873
UFISM	-	310,152	310,152
		<hr/>	<hr/>
	-	10,231,533	10,231,533
Other Government grants			
Local Government Grants	-	1,059,978	1,059,978
		<hr/>	<hr/>
	-	1,059,978	1,059,978
Other income from the Academy's charitable activities	676,836	14,244	691,080
	<hr/>	<hr/>	<hr/>
	676,836	11,305,755	11,982,591
	<hr/>	<hr/>	<hr/>
	676,836	11,305,755	11,982,591
	<hr/>	<hr/>	<hr/>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Hire of facilities	592,870	592,870
School uniform sales	4,362	4,362
	597,232	597,232
	597,232	597,232
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Hire of facilities	546,706	546,706
School uniform sales	3,844	3,844
	550,550	550,550
	550,550	550,550

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Interest income	424	-	424
Pension income	-	54,000	54,000
	424	54,000	54,424
	424	54,000	54,424
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>	
Interest income	426	426	
	426	426	
	426	426	

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Expenditure on raising voluntary income:				
Direct costs	-	-	13,418	13,418
Charitable activities:				
Direct costs	8,166,891	-	1,579,826	9,746,717
Allocated support costs	2,096,738	2,945,074	1,231,380	6,273,192
Teaching school	-	-	360,356	360,356
	<u>10,263,629</u>	<u>2,945,074</u>	<u>3,184,980</u>	<u>16,393,683</u>
	<i>Staff Costs</i> <i>2022</i> £	<i>Premises</i> <i>2022</i> £	<i>Other</i> <i>2022</i> £	<i>Total</i> <i>2022</i> £
Expenditure on raising voluntary income:				
Direct costs	-	-	8,841	8,841
Charitable activities:				
Direct costs	7,984,540	-	1,542,537	9,527,077
Allocated support costs	2,613,324	2,783,478	1,151,944	6,548,746
Teaching school	-	-	321,878	321,878
	<u>10,597,864</u>	<u>2,783,478</u>	<u>3,025,200</u>	<u>16,406,542</u>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	9,746,717	6,273,192	16,019,909
	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Charitable activities	9,527,077	6,548,746	16,075,823

Analysis of direct costs

	Charitable activities 2023 £	Total funds 2023 £
Staff costs	7,789,934	7,789,934
Depreciation	788,193	788,193
Educational supplies	391,306	391,306
Technology costs	11,244	11,244
Educational consultancy	194,315	194,315
Other direct costs	157,518	157,518
Teaching supply costs	376,957	376,957
Other staff costs	37,250	37,250
	9,746,717	9,746,717

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Charitable activities 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	7,849,850	7,849,850
Depreciation	803,146	803,146
Educational supplies	431,854	431,854
Technology costs	32,307	32,307
Educational consultancy	184,013	184,013
Other direct costs	52,829	52,829
Teaching supply costs	134,690	134,690
Other staff costs	38,388	38,388
	<hr/> 9,527,077 <hr/>	<hr/> 9,527,077 <hr/>

Analysis of support costs

	Charitable activities 2023 £	Total funds 2023 £
Pension finance costs	54,000	54,000
Staff costs	1,827,015	1,827,015
Technology costs	93,193	93,193
Cleaning	331,127	331,127
Other occupancy costs	68,955	68,955
Other staff costs	39,261	39,261
Other support costs	136,880	136,880
Support staff supply costs	121,723	121,723
Catering	730,608	730,608
Legal and professional	92,190	92,190
Maintenance of premises and equipment	2,130,771	2,130,771
Rates	92,869	92,869
Security and transport	31,117	31,117
Non cash pension costs	148,000	148,000
Energy	321,352	321,352
Insurance	43,906	43,906
Governance	10,225	10,225
	<hr/> 6,273,192 <hr/>	<hr/> 6,273,192 <hr/>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Charitable activities 2022 £</i>	<i>Total funds 2022 £</i>
Pension finance costs	79,000	79,000
Staff costs	1,405,825	1,405,825
Technology costs	123,624	123,624
Cleaning	287,092	287,092
Other occupancy costs	53,755	53,755
Other staff costs	30,693	30,693
Other support costs	124,687	124,687
Support staff supply costs	261,499	261,499
Catering	616,702	616,702
Legal and professional	89,343	89,343
Maintenance of premises and equipment	2,135,707	2,135,707
Rates	98,888	98,888
Security and transport	23,315	23,315
Non cash pension costs	946,000	946,000
Energy	208,036	208,036
Insurance	42,000	42,000
Governance	22,580	22,580
	<u>6,548,746</u>	<u>6,548,746</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	<i>2022 £</i>
Depreciation of tangible fixed assets	787,382	803,146
Fees paid to auditors for:		
- audit	16,000	15,100
- other services	5,500	5,300
	<u>808,882</u>	<u>823,546</u>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	7,342,686	7,099,930
Social security costs	708,393	647,059
Pension costs	1,565,870	1,508,686
	9,616,949	9,255,675
Agency staff costs	498,680	396,189
Non cash pension costs	148,000	946,000
	10,263,629	10,597,864

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	123	122
Administration and support	162	166
Management	9	9
	294	297

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	-	4
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	1	-
In the band £140,001 - £150,000	1	-
	1	-

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. 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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £974,000 (2022 - 927,658).

11. Central services

No central services were provided by the Academy to its academies during the year and no central charges arose.

12. 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:

		2023	<i>2022</i>
		£	<i>£</i>
John Grove - Head Teacher	Remuneration	145,000 -	<i>130,000 -</i>
		150,000	<i>135,000</i>
	Pension contributions paid	25,000 -	<i>25,000 -</i>
		30,000	<i>30,000</i>

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

13. Trustees' and Officers' insurance

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

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 September 2022	39,369,088	225,231	51,725	39,646,044
Additions	-	32,446	-	32,446
At 31 August 2023	<u>39,369,088</u>	<u>257,677</u>	<u>51,725</u>	<u>39,678,490</u>
Depreciation				
At 1 September 2022	5,335,776	225,231	51,725	5,612,732
Charge for the year	787,382	811	-	788,193
At 31 August 2023	<u>6,123,158</u>	<u>226,042</u>	<u>51,725</u>	<u>6,400,925</u>
Net book value				
At 31 August 2023	<u>33,245,930</u>	<u>31,635</u>	<u>-</u>	<u>33,277,565</u>
At 31 August 2022	<u>34,033,312</u>	<u>-</u>	<u>-</u>	<u>34,033,312</u>

15. Stocks

	2023 £	2022 £
Clothing	7,511	8,447

16. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	39,650	7,858
Other debtors	184,248	-
Prepayments and accrued income	1,232,246	133,976
VAT recoverable	444,373	142,338
	<u>1,900,517</u>	<u>284,172</u>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	144,564	87,936
Other taxation and social security	174,656	175,765
Other creditors	184,186	(62)
Accruals and deferred income	502,676	743,328
	1,006,082	1,006,967
	2023	2022
	£	£
Deferred income at 1 September 2022	266,093	280,284
Resources deferred during the year	380,612	266,093
Amounts released from previous periods	(266,093)	(280,284)
	380,612	266,093

At the balance sheet date the academy trust was holding funds received in advance for the year 2023/24.

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	3,041,613	1,540,730	(524,939)	(592,299)	-	3,465,105
Restricted general funds						
GAG	-	9,276,263	(9,868,562)	592,299	-	-
Pupil premium	-	479,520	(479,520)	-	-	-
UIFSM	-	305,650	(305,650)	-	-	-
Other DfE/ESFA grants	-	527,657	(527,657)	-	-	-
Local authority grants	-	1,317,042	(1,317,042)	-	-	-
General funds	-	73,494	(73,494)	-	-	-
Teaching Schools	-	441,062	(441,062)	-	-	-
Pension reserve	-	-	(94,000)	-	94,000	-
	-	12,420,688	(13,106,987)	592,299	94,000	-
Restricted fixed asset funds						
Restricted Fixed Asset Funds	34,316,405	-	(788,193)	32,466	-	33,560,678
Condition improvement fund	-	3,058,394	(1,919,564)	-	-	1,138,830
Devolved formula capital	-	73,216	-	(32,466)	-	40,750
	34,316,405	3,131,610	(2,707,757)	-	-	34,740,258
Total Restricted funds	34,316,405	15,552,298	(15,814,744)	592,299	94,000	34,740,258
Total funds	37,358,018	17,093,028	(16,339,683)	-	94,000	38,205,363

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

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

Restricted funds are resources for educational purposes.

Restricted fixed asset funds are resources for particular capital expenditure purposes.

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

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 2023.

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds - all funds	2,802,246	1,267,265	(489,957)	(537,941)	-	3,041,613
Restricted general funds						
General Annual Grant	-	9,196,850	(9,734,791)	537,941	-	-
Pupil Premium grants	-	425,873	(425,873)	-	-	-
UFISM grants	-	310,152	(310,152)	-	-	-
Other DFE/ESFA grants	-	298,658	(298,658)	-	-	-
Local Authority grants	-	1,059,978	(1,059,978)	-	-	-
Teaching School	-	432,283	(432,283)	-	-	-
Pension reserve	(4,874,000)	-	(1,025,000)	-	5,899,000	-
	(4,874,000)	11,723,794	(13,286,735)	537,941	5,899,000	-
Restricted fixed asset funds						
Fixed asset fund	34,836,458	2,109,797	(2,629,850)	-	-	34,316,405
Total Restricted funds	29,962,458	13,833,591	(15,916,585)	537,941	5,899,000	34,316,405
Total funds	32,764,704	15,100,856	(16,406,542)	-	5,899,000	37,358,018

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Belleville Primary School	1,155,282	1,189,990
Belleville Wix Academy	1,210,104	920,723
Alton School	326,580	263,844
Churchfields Primary School	133,085	(51,866)
Central Trust	573,356	652,025
Teaching School	66,698	66,897
	3,465,105	3,041,613
Total before fixed asset funds and pension reserve		
Restricted fixed asset fund	34,740,258	34,316,405
	38,205,363	37,358,018
Total	38,205,363	37,358,018

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 2023 £
Belleville Primary School	3,605,223	616,108	288,832	2,098,395	6,608,558
Belleville Wix Academy	1,339,017	221,609	67,400	1,623,789	3,251,815
Alton School	1,192,010	181,459	72,836	887,475	2,333,780
Churchfields Primary School	2,008,524	216,627	132,064	940,118	3,297,333
Consolidation adjustment	-	-	-	(1,060,255)	(1,060,255)
Central services	22,117	836,935	68,179	193,028	1,120,259
	8,166,891	2,072,738	629,311	4,682,550	15,551,490
	8,166,891	2,072,738	629,311	4,682,550	15,551,490

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

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

	<i>Teaching and educationa. support staff costs</i> £	<i>Other support staff costs</i> £	<i>Educational supplies</i> £	<i>Other costs excluding depreciation</i> £	<i>Total 2022</i> £
Belleville Primary School	3,331,459	1,041,848	277,989	2,389,293	7,040,589
Belleville Wix Academy	1,304,728	366,067	52,164	1,135,956	2,858,915
Alton School	1,218,520	334,684	25,279	1,195,469	2,773,952
Churchfields Primary School	1,914,690	364,182	67,336	925,816	3,272,024
Consolidation adjustment	-	-	-	(1,073,971)	(1,073,971)
Central services	215,143	506,543	9,086	1,115	731,887
Academy	<u>7,984,540</u>	<u>2,613,324</u>	<u>431,854</u>	<u>4,573,678</u>	<u>15,603,396</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	33,277,565	33,277,565
Current assets	3,465,105	1,006,082	1,462,693	5,933,880
Creditors due within one year	-	(1,006,082)	-	(1,006,082)
Total	<u>3,465,105</u>	<u>-</u>	<u>34,740,258</u>	<u>38,205,363</u>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed assets funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	34,033,312	34,033,312
Current assets	3,041,613	1,006,967	283,093	4,331,673
Creditors due within one year	-	(1,006,967)	-	(1,006,967)
Total	<u>3,041,613</u>	<u>-</u>	<u>34,316,405</u>	<u>37,358,018</u>

20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	753,345	(1,305,686)
Adjustments for:		
Depreciation	797,364	803,146
Capital grants from DfE and other capital income	(3,131,610)	(2,109,797)
Interest receivable	(424)	(462)
Defined benefit pension scheme cost less contributions payable	148,000	946,000
Defined benefit pension scheme finance cost	(54,000)	79,000
Decrease in stocks	936	1,290
(Increase)/decrease in debtors	(568,192)	804,319
Decrease in creditors	(10,056)	(697,980)
Net cash used in operating activities	<u>(2,064,637)</u>	<u>(1,480,170)</u>

21. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	424	462
Purchase of tangible fixed assets	(32,446)	-
Capital grants from DfE Group	2,083,457	2,109,797
Net cash provided by investing activities	<u>2,051,435</u>	<u>2,110,259</u>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	4,025,852	4,039,054
Total cash and cash equivalents	4,025,852	4,039,054

23. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	4,039,054	(13,202)	4,025,852
	4,039,054	(13,202)	4,025,852

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

levy)

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,009,800 (2022 - £1,035,100).

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.

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 2023 was £593,000 (2022 - £619,000), of which employer's contributions totalled £440,000 (2022 - £465,000) and employees' contributions totalled £153,000 (2022 - £154,000). The agreed contribution rates for future years are 19 per cent for employers and 7.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

Wandsworth Council Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	2.90	3.90
Rate of increase for pensions in payment/inflation	3.90	2.90
Discount rate for scheme liabilities	5.30	4.20
Inflation assumption (CPI)	3.90	2.90

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

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

	2023	<i>2022</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	20.7	<i>21.0</i>
Females	23.2	<i>23.5</i>
<i>Retiring in 20 years</i>		
Males	22.0	<i>22.3</i>
Females	24.6	<i>24.9</i>

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2023	<i>2022</i>
	£	<i>£</i>
Equities	5,655,000	<i>6,633,000</i>
Gilts	43,000	<i>92,000</i>
Corporate bonds	1,402,000	<i>737,000</i>
Property	1,212,000	<i>1,198,000</i>
Cash and other liquid assets	356,000	<i>-</i>
Multi-asset funds	1,173,000	<i>553,000</i>
Total market value of assets	9,841,000	<i>9,213,000</i>

The actual return on scheme assets was £(326,000) (2022 - £(755,000)).

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

	2023	<i>2022</i>
	£	<i>£</i>
Current service cost	(667,000)	<i>(1,402,000)</i>
Interest income	405,000	<i>162,000</i>
Interest cost	(351,000)	<i>(241,000)</i>
Administrative expenses	(10,000)	<i>(9,000)</i>
Total amount recognised in the Statement of Financial Activities	(623,000)	<i>(1,490,000)</i>

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	9,213,000	14,351,000
Current service cost	667,000	1,402,000
Interest cost	351,000	241,000
Employee contributions	181,000	154,000
Actuarial gains	(516,000)	(6,816,000)
Benefits paid	(55,000)	(119,000)
At 31 August	9,841,000	9,213,000

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

	2023 £	2022 £
At 1 September	9,213,000	9,477,000
Interest income	405,000	162,000
Actuarial losses	(422,000)	(917,000)
Employer contributions	529,000	465,000
Employee contributions	181,000	154,000
Benefits paid	(55,000)	(119,000)
Administration expenses	(10,000)	(9,000)
At 31 August	9,841,000	9,213,000

25. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	6,403	3,175
Later than 1 year and not later than 5 years	6,779	4,789
	13,182	7,964

QUALITY FIRST EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. Members' liability

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

27. 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 Academy Trust 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 £56,000 (2022: £64,700) and £45,000 (2022: £35,226) respectively.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

28. Post balance sheet event

The supreme court ruling on *Harpur vs Brazel* (2022) has upheld the ruling impacting holiday pay for part time workers. Employers will now be required to revisit their historical holiday calculations to retrospectively apply this ruling. Whilst this will create a liability for the trust, the government are yet to produce guidance as to the specifics of the calculation required, and hence no accurate provision can currently be made

