

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**THE FIRST FEDERATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members | Salisbury Diocesan Board of Education (SDBE), representative: Mr D Roberts Exeter Diocesan Education Network (EDEN), representative: Rev A Smith (resigned 24 May 2024) Exeter Diocesan Education Network (EDEN), representative: C Mabin (appointed 1 September 2024) University of St Mark and St John, representative: Mrs S Day Dr A Allan Mr A P Walmsley MBE (Chair of Trustees) |
| Trustees | Dr C Bromfield ³ Mrs A Denner, Vice-Chair of Trustees ^{1,2,3} Mrs A E Gosling (resigned 30 August 2024) ^{1,2,3} Mrs R J Shaw Mr P S Walker, CEO ^{1,3} Mr A P Walmsley MBE, Chair of Trustees ^{1,2,3} Dr M D A Williams ^{1,2} Rev P Wimsett 1 Strategic & Finance Committee 2 Audit & Risk Committee 3 Education Committee |
| Company registered number | 07819870 |
| Company name | The First Federation Trust |
| Principal and registered office | Blackpool C of E Primary School Liverton Newton Abbot Devon TQ12 6JB |
| Company secretary | Mrs I A Candy |
| Chief executive officer | Mr P S Walker |
| Senior management team | Mr P S Walker, Chief Executive Officer Mrs R Caunter, Director of School Improvement and Deputy Chief Executive Officer Mrs A Jenkins, Director of Performance and Development Mrs C Chapman (to 16 May 2024), Chief Finance and Operating Officer Mrs I A Candy, Company Secretary and Governance Officer Mr Michael Platten (from 17 May 2024), Chief Finance Officer Mrs Amanda Gavin (from 17 May 2024), Chief Operating Officer |
| Independent auditors | Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN |

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

| | |
|-------------------|---------------------------------------------------------------------|
| Bankers | Lloyds Bank 234 High Street Exeter EX4 3NL |
| Solicitors | PHP Law LLP 6 Delamore Park Cornwood Ivybridge PL21 9QP |

**THE FIRST FEDERATION TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2024. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

At the start of the year, the Trust operated 19 primary academies across Dorset and Devon, and one primary school in Plymouth, as follows:

Devon: Aveton Gifford CE Primary School, Bere Alston Primary Academy, Blackpool CE Primary School, Brixington Primary Academy, Chudleigh Knighton CE Primary School, Colyton Primary Academy, Gatehouse Primary Academy, Hawkchurch CE Primary School, Lady Seaward's CE Primary School, Musbury Primary School, Newton Ferrers CE Primary School, Rockbeare CE Primary School, Salcombe CE Primary School, Sidmouth CE Primary School, Westcliff Primary Academy, Whitchurch Primary School and Willowbank Primary School.

Dorset: Charmouth Primary School (joined the Trust on 1 Sep 2023) and Portesham CE Primary School

Plymouth: St Budeaux CE Primary Academy.

Mary Dean's CE Primary School and Nursery (Plymouth) joined the Trust on 1 October 2023.

The following academies joined the Trust on 1 Sep 2024: Chickerell Primary Academy (a SAT in Dorset), and Axminster Primary Academy (Devon), Loders CE Primary Academy (Dorset), Marshwood CE Primary Academy (Dorset), Membury Primary Academy (Devon), Mrs Ethelston's CE Primary Academy (Devon), St Andrew's CE Primary Academy (Chardstock, Devon) and Thorncombe St Mary CE Primary Academy (Dorset) that transferred from Acorn Academy Trust.

Most of the Church schools within the Trust are in the Diocese of Exeter. However, Hawkchurch CE Primary School, Loders CE Primary Academy, Marshwood CE Primary Academy and Portesham CE Primary School are in Salisbury Diocese and Thorncombe St Mary CE Primary Academy is in Bath & Wells Diocese.

In the Autumn 2023 school census, the First Federation Trust had 3,623 school age pupils on roll.

In the Autumn 2024 school census, the First Federation Trust had 4,565 school age pupils on roll (3,482 on roll at the schools that were part of the Trust for the entire year).

The number of children of primary age is currently decreasing nationally, including in Dorset, Devon and Plymouth.

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 the First Federation Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as the First Federation Trust.

The Trust is in the process of adopting updated Articles of Association, to add Bath & Wells as a Corporate Member because the Trust now includes a Church of England academy in their diocese.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

Members' liability

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

Trustees' Indemnities

The academy trust through its Articles has indemnified its trustees to the fullest extent permissible by law using insurance from Zurich.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Method of recruitment and appointment or election of Trustees

The First Federation Trust Articles of Association which applied during 2023-24 state that the number of directors (aka trustees) shall be not less than five, but (unless otherwise determined by ordinary resolution) shall not be subject to a maximum (Article 45).

The composition of the board of directors (aka board of trustees) is as follows:

- Six Foundation directors (aka Foundation trustees), five appointed by Exeter Diocesan Education Network (EDEN) and one appointed by Salisbury Diocesan Board of Education (SDBE) (Articles 50, 50A and 51)
- A minimum of two parent directors (aka parent trustees) in the event that no hub boards are established under article 100(a) (Article 53).
- The Chief Executive Officer if he agrees to so act and at the discretion of the Members, who chose to appoint him at the time the articles were last changed.
- Two co-opted Directors (Article 58).

The Articles due to be adopted state that foundation directors shall be appointed as follows (Articles 50, 50A and 50B):

- EDEN shall appoint no fewer than three Directors provided that the total number of Foundation Directors not thereby exceed a simple majority of the total number of Directors
- SDBE shall appoint no fewer than two Directors provided that the total number of Foundation Directors shall not thereby exceed a simple majority of the total number of Directors
- BWDBE shall appoint at least one Director provided that the total number of Foundation Directors shall not thereby exceed a simple majority of the total number of Directors.

The appointment of other categories of directors (namely CEO, co-opted and parents) remain unchanged.

In order to strengthen the set of skills on the Trust board and to reflect the growth of the Trust, the Trust is in the process of recruiting a new trustee who is the acting CEO of another primary MAT, Aspire, located in Cornwall.

From September 2023, the Trust schools were grouped in five hubs, whose educational performance is overseen by a hub board. Each hub board includes parent council members elected by parents from each school, in effect moving parental representation from the board of trustees to the hub boards in accordance with Article 53.

From September 2024, the Trust schools are grouped in three partnerships. Each partnership includes two hub boards. This is due to the growth of the Trust and aims to reduce the amount of staff travel to access the Trust support and professional development opportunities.

All trustees are appointed for a four-year period, except for the Chief Executive Officer whose appointment is at the discretion of the Members. Subject to remaining eligible to be a particular type of trustee, any trustee can seek to be re-appointed or re-elected. The four-year term of office and eligibility for re-appointment / re-election also applies to hub board members, including parent council members, and to individuals appointed to the Trust sub-committees who are not trustees. Where parent council members are former parent governors of the joining school, they are appointed for the remainder of what was their term of office as governors, to help with succession planning.

Policies and Procedures adopted for the Induction and Training of Trustees

The Trust has an induction procedure for new trustees and new hub board members available from the Company Secretary.

Trustees have access to general training and support provided by Exeter Diocese, Salisbury Diocese, Bishop Fleming, Browne Jacobson and PHP law. In addition, Trustees and hub board members have access to the NGA resources and Learning Link training courses.

All trustees undertook safeguarding training which was supplemented by reporting from the Trust safeguarding lead around contextual information and trends within the Trust.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Other training undertaken by trustees included: safer recruitment, Prevent, the role of foundation trustee, SIAMS, data protection, suspensions and exclusions, as well as MAT leaders briefings.

In her role as company secretary and governance professional, I A Candy attended the Church Schools Leader of Church Schools Governance programme run by Salisbury Diocese, training on the 2023 and 2024 Keeping Children Safe in Education guidance, data protection, complaints as well as NGA governance professional network sessions, the GovernorHub MAT conference and the July 2024 CST trustees and governance leaders conference.

Relevant newsletters, publications and guidance are circulated by the Company Secretary to keep the trustees informed of statutory requirements and changes in legislation. Trustees are signed up to the weekly email newsletter from the National Governance Association. The Trust is also a member of the Confederation of School Trust and the Queen Street Group.

Organisational Structure

The board of trustees delegates to the Chief Executive Officer and the Trust Senior Leadership Team the day to day running of the First Federation Trust schools. Their activities and decisions are monitored by the board of trustees and its committees. There is an agreed scheme of delegation.

The board of trustees had three main committees during 2023-24: the Strategic & Finance committee, the Audit & Risk committee and the Education Committee. All three had agreed terms of reference. The Strategic & Finance committee focused on Trust growth and its impact, finance, personnel, premises and Health & Safety. The Audit & Risk committee fulfilled their role in accordance with in the 2023 Academy Trust Handbook. The Education Committee focussed on school improvement, pupil outcomes, behaviour and attendance, and ethos / Christian distinctiveness.

There are three other committees of the board, which meet on an 'as needed' basis:

- The Admissions committee, whose remit it to deal with decisions regarding pupils' admissions where not delegated to the Trust staff.
- The First committee, whose remit is to hear complaints and staff discipline matters
- The Second committee, whose remit is to act as an appeals committee.

The board reviewed the Trust central team and leadership structure.

In the Trust educational central team, a Director of Inclusion was appointed and took post in Jan 2024. A SEMH teacher, Church School Improvement Officer, a Safeguarding Officer, and Attendance Officer were appointed during the year. An additional School Improvement Officer is due to be recruited during the autumn term 2024. In the Trust business central team, a Director of Finance and Director of People and Operations were appointed and took post in May 2024 to replace the Chief Finance and Operating Officer who retired in the same month. Most of these positions are part-time and have been initially funded by TCAF funding.

From September 2024 there have been further additions to the Trust central team, as a result of the Trust growth and the transfer of the Acorn schools.

The Chief Executive Officer is the Accounting Officer of the Trust.

The Chief Finance and Operating Officer was the Chief Financial Officer of the Trust until May 2024. Following her retirement, the role was taken by the Director of Finance.

The Trust schools follow the agreed First Federation Finance policy and procedures detailing the arrangements for the delegation of financial powers. This has been amended to reflect the growth of the Trust.

The Trust has a dormant subsidiary called First Beginnings Ltd.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration decisions for key management personnel are made by the trustees based on evidence which are linked to performance management outcomes and other indicators, such as pupil attainment and progress, and the outcome of Ofsted and SIAMS inspections.

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FOR THE YEAR ENDED 31 AUGUST 2024**

The performance of the Chief Executive Officer was reviewed by a panel of three trustees (the chair, vice-chair and the lead foundation trustee) supported by an external advisor who was the Chief Executive Officer of a MAT and is a member of the DfE regional director advisory board. The performance of the Directors of School Improvement, Director of Performance and Development, Director of Inclusion, Chief Finance and Operating Officer, Director of Finance, Director of People and Operations and Company Secretary was reviewed jointly by the Chief Executive Officer and chair of trustees. The performance of Heads of Schools for 2023-24 was reviewed by the Director of Performance and Development and Director of School Improvement for schools that were part of the Trust prior to September 2024. The performance of trust business managers, the onboarding business manager and the trust accountant for 2023-24 was reviewed by the Director of Finance. The performance of staff formerly employed by Acorn and Chickerell when they are a separate MAT and SAT respectively was reviewed in line with their policies.

Pay decisions in relation to senior educational leaders are made in line with criteria set out in STPCD, the Teachers' Standards. Progression on the leadership scale is not automatic. The pay of the Chief Executive Officer is regularly benchmarked against similar MATs. The last benchmark was conducted in September 2024. School Support Staff are paid in line with the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. The Trust refers to the Job Evaluation Scheme Guidance to grade posts. Where similar positions do not exist, research is conducted to grade these positions appropriately, based on responsibility and market rate.

Trade union facility time

There were no relevant union officials for the year/period ended 31 August 2024. Nor was there any paid time off for trade union activities provided by any school within the Trust during the year.

Related parties and other connected charities and organisations

During the accounting period, the First Federation Trust has worked collaboratively with the local Teaching School Hubs (Kingsbridge and Colyton Grammar), as well as the Church of England (Foundation for Educational Leadership), Best Practice Network, Teach First and National College of Education to provide Professional Development for both Trust employees and external staff within the region.

The First Federation Trust schools work with the universities of Exeter and St Mark and St John to support teacher training placements and offer School Direct places in partnership with the University of St Mark and St John.

The Trust schools have Parent Teacher Associations which raises funds to enhance the provision of education to the children in each school.

Part of Bere Alston Primary Academy land is owned by the Maynard Trust, a charity whose aim is to provide financial support to pupils and former pupils of the school. The Maynard Trust is registered with the Charity Commission as the Sir John Maynard's School Foundation. The school pays rent to the Trust. This is currently the main source of income for the Maynard Trust. The Head of School meets regularly with the trustees of the Maynard Trust to discuss how they can provide support to the pupils of the school, for example by paying for equipment or subsidising events such as educational visits.

There is a foundation Trust for St Budeaux Primary Academy, called St Budeaux Christian Education Trust, which is a charity whose aim is to support the Christian education of St Budeaux children by helping with building and equipment costs and to enhance the link between Church Community and the Foundation School through providing additional enrichment activities. A long term goal of the charity was to maintain sufficient funds to promote the school and expand it to become a primary school. The First Federation Trust, working collaboratively with Horizon MAT, successfully sought permission from the Department for Education Regional Director to change the age range of the school and it became a primary school with a nursery from September 2023.

The Bestic Trust is a Charitable Incorporated Organisation (CIO) whose charitable object is to advance the education of children of Mrs Ethelston's CE Primary Academy. The Bestic Trust aims to secure funding for building a new building for the school on land adjacent to the existing school premises. As part of the work

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undertaken for the school to transfer to the First Federation Trust, the Trust has started to liaise with the Bestic Trust to understand how it can support the aim of that Trust for the benefit of the school's pupils.

There are no related parties which either control or significantly influence the decisions and operations of the First Federation Trust.

Engagement with employees (including disabled persons)

The First Federation Trust aims to ensure that all members of staff, visitors, job applicants, pupils, parents, suppliers and other stakeholders are treated fairly and with respect in an environment which is free from harassment, bullying and discrimination.

The First Federation Trust asks applicants to declare if they have a disability so that reasonable adjustments can be made to ensure that any selection processes – including the interview – are fair and equitable and are complying with the Equality Act 2010.

The First Federation Trust is committed to ensuring all staff are appropriately trained and are able to undertake further professional development throughout their career. An annual appraisal system is in place for all teachers, teaching assistants, and administrative staff. The annual appraisal process helps staff to identify opportunities for career progression available within the Trust and personal growth. Vacancies are advertised internally whenever possible. The First federation makes good use of the apprenticeship levy to support professional growth identified through the appraisal system.

During 2023-24, these aims were supported by the following actions:

- Paying into JCC arrangements and meeting regularly with the recognised trade unions to consult on HR policies
- Pro-actively seeking and following advice from the Trust's HR advisors to ensure good practice is followed and the Trust acts fairly.
- Consulting with employees via staff surveys.
- Holding Trust wide inset days to keep staff informed about the performance and strategic plans of the Trust.
- Using recruitment processes which comply with the Equality Act to ensure applicants who are disabled are not unjustly discriminated against.

Starting to put in place network groups with a view to support staff with certain characteristics to help understand and support their specific needs

Engagement with suppliers, customers and others in a business relationship with the academy trust

The First Federation Trust recognise the need to cultivate relationships with all our stakeholders and throughout the year we have engaged with the following:

Pupils and Parent

Pupils and Parents are key to the success of each individual school and the Trust and by promoting positive relationships will lead to greater outcomes academically and also strengthen the links to the wider community.

Schools regularly carry out individual surveys to obtain the views of pupils and parents through the year.

Church Organisations

We have 12 Church of England schools (17 from September 2024) within our Trust and work closely with the relevant Diocese for that school to maintain close relationships and to embed the values of Christianity within each of the schools.

Both Exeter & Salisbury Dioceses had a representative on the board of trustees during the last financial year.

The Trust has engaged with Exeter Diocese throughout the year to support building projects within one of the schools.

We have engaged with both Dioceses in the recruitment of members to our boards and also in relation to the Admission Policies to the schools. As part of the work undertaken to prepare for the transfer of the Acorn schools to the Trust, we have also engaged with the Diocese of Bath & Wells.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Wider Local Community

It is recognised that the focal role of our schools in the local community is key, and the Trust encourages and supports their involvement in local opportunities through various forms ie school fairs, PTFA, Church and community events.

Suppliers

The Trust works rigorously throughout the year to build and strengthen relationships with our suppliers. We have encouraged regular meetings to discuss contracts both virtually and face to face. The Trust works closely with PHP law around major procurement activities.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Company's object ("the Object") is specifically restricted to the following:

to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which:

- i. shall include Church of England Academies ("Church Academies" and each a "Church Academy") designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and
- ii. may include other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

Objectives, strategies and activities

In 2021 the Trust revised its core purpose, mission and vision, as detailed below:

Core Purpose:

Working together to provide the best possible education for all.

Our Mission:

Using our individual and collective strengths to work together to improve our schools. Providing all pupils with the best education, enabling them to succeed.

Our Vision:

Every individual will Aspire, Flourish and Achieve within the heart of their community

- Inspiring learning for all
- Developing the individual and growing positive relationships
- Contributing positively to all the communities we are part of

Our 2021-2024 strategic plan detailed the key priorities for the year. These were closely linked with the Trust school improvement cycle. The Trust remains immensely proud of its schools. The Trust's objectives for 2023-2024 were as follows:

- Improve SEND Outcomes
- Closing the Pupil Premium gap
- Raising attainment to aim for 90% in EY and Phonics and aiming for 90% trajectory in KS2.
- Reviewing curriculum impact and assessment

Each school has a school development plan listing their specific key objectives and how to achieve them, based on self-evaluation and the outcomes of external reviews, audits and inspections where applicable. In addition, the board of trustees and its main committees regularly review and discuss the Trust pupils' performance data, the quality of education provided by the schools and the financial position of the Trust. Their oversight of school

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improvement, the quality of education and pupils' performance has been further supported by the work of the governance hub boards and visits to the school where possible.

During the academic year, a new strategic plan was created for the 2024-27 academic years. This was the result of extensive consultation, research and engagement with many stakeholders across the Trust. During this process, the Trust revised its core purpose, mission and vision, as detailed below:

Key objectives in the new strategic plan are:

- Being a fully inclusive trust
- Raising Standards for all
- Building capacity
- Oversight and communication
- System leadership

Public benefit

The Trust provides education services to all children in their local area and community through its schools and their involvement in their Local Learning Communities, and in other areas of Devon, Plymouth and Dorset. The Trust also actively supports the work of the Diocese of Exeter and Diocese of Salisbury. Leaders are also active members of the Devon School Leadership Services (DSLS) and Devon Association of Governors (DAG).

All the schools within the Trust provide an inclusive curriculum, offer the facility for local organisations to let their premises, work with their local preschools to ensure a smooth transition into their reception classes, and work with their local secondary schools to ensure a smooth transition into secondary education for pupils.

All the schools within the Trust hold special events to help raise money for local and national charities.

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

During the accounting period, the First Federation Trust has continued to strengthen and grow its partnership with OLEVI by A Jenkins being accredited as a OLEVI Professional Facilitator, OLEVI Professional Coach and OPAL Founding Fellow. Through this partnership the Trust has delivered: one Outstanding Teacher Programme, two Power of Coaching Programmes, one Advanced Power of Coaching and one Outstanding Leadership in Education Programme. We have engaged with other external providers such as the National College of Education, Best Practice Network, as well as the regional English and Maths Hubs to help improve the quality of teaching and leadership within the Trust schools. Trust Leaders (Senior and Heads of School) have facilitated the NPQs and ECF Year 1 and 2 for the local Teaching School Hub (SWIfT).

In addition, the First Federation Trust has successfully trained four School Direct Trainees. The Trust has entered a new partnership with the local Teaching School Hubs (South West Institute for Teaching) to recruit trainees for the following academic year 2024-2025 as well as providing facilitators for ITT Subject content days.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

STRATEGIC REPORT

ACHEIVEMENTS AND PERFORMANCE

During the accounting period, the Trust has grown to be a strong group of twenty-one schools. Charmouth Primary and Mary Dean's CE Primary both joined the Trust during the 2023-2024 academic year. We supported one school through a Management Partnership; Exeter Road Community Primary. During the Autumn term 2023 we supported the five schools in the Jubilee with Pebblebed Federation as they prepared to join a Trust.

Throughout the reporting period, we prepared very carefully to welcome Chickerell Primary Academy and the seven Acorn MAT schools into the Trust from September 2024. These schools all transferred successfully in September 2024. This transfer also led to a significant increase in the central team.

During the academic year several key appointments were made. A new Director for Inclusion was appointed from January 2024 following a successful TCAF bid. The postholder leads a new inclusion team with a new attendance officer, safeguarding officer and SEMH advisory teacher. Following the retirement of the Chief Financial and Operations Officer, two posts were created, Director of Finance and Director of People and Operations, both starting in May. The Director of School Improvement left at the end of the year and a new postholder took up her post in September 2024.

During 2023-2024 Ofsted inspected four Trust schools. Bere Alston Primary Academy was graded as a good school, previously being inadequate. Blackpool CE Primary School, Whitchurch Community Primary School and Newton Ferrers CE Primary School all received full Section 5 inspections to become good schools. In the Autumn term 2024, Westcliff Primary Academy was inspected and received five requires improvement judgements. Colyton Primary Academy was also inspected and achieved five good judgements. Mary Dean's CE Primary School was also inspected and achieved good judgements in three areas and requires improvement in two. Two of the schools that joined the Trust in September 2024 were also inspected.

During 2023-2024, two schools received SIAMS inspections. Lady Seawards CE Primary School received Judgement 1 outcome, whilst Salcombe CE Primary School was graded as Judgement 2. During the Autumn term 2024, Aveton Gifford CE Primary School and Blackpool CE Primary School also had SIAMS inspections and received Judgement 1 outcomes.

The schools within the Trust worked to deliver a shared set of objectives as detailed in the three-year strategic plan. The four key areas in the plan are:

1. The best teaching and learning for all

- Excellent curriculum for all
- Highest quality teaching
- High expectations for all
- Raising standards
- Assessing learning
- Creating an environment of success and achievement.

2. Effective talent and resource management

- Developing and retaining a workforce for the future
- Dynamic and flexible leadership structures
- Crating collective responsibility
- Making the most of our finances
- Taking responsibility for our natural world.

3. Effective governance and accountability

- Governance for the future
- Robust quality assurance systems
- Managing risk
- Communicating effectively

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

4. System and civic leadership

- Responsible growth
- Working together to create a strong system
- Civic responsibilities

The curriculum remains a major focus for all schools in the Trust. During the academic year, there has been a stronger focus on the impact of the curriculum and the wider curriculum being delivered through the personal development programme. Staff have continued to be supported through the Thinking Matters programme, focussing on metacognition. This is high quality CPD aimed at developing the highest quality teaching.

There has been a wide ranging CPD programme throughout the year supporting staff with Mathematics, Writing, and a variety of other subjects as well as developing senior and middle leaders.

Key performance indicators

Ofsted Judgements

| School and date joined First Federation | Ofsted before joining First Federation | Latest Ofsted judgement |
|------------------------------------------------|----------------------------------------------------|--------------------------------------------------------|
| Blackpool CE Primary, 2006 | Good with Outstanding | Good, 2024 |
| Chudleigh Knighton CE Primary, 2006 | Notice to improve, 2006 | Good, 2023 |
| Lady Seawards CE Primary School, 2009 | Satisfactory | Outstanding, 2023 |
| Salcombe CE Primary School, 2009 | Satisfactory | Good, 2021 |
| Newton Ferrers CE Primary School, 2010 | Good with Outstanding | Good 2024 |
| Aveton Gifford CE Primary School, 2011 | Good with satisfactory Leadership | Good, 2021 |
| Brixington Primary Academy, 2015 (Sponsored) | Inadequate | Good, 2022 |
| Westcliff Primary Academy, 2016 (Sponsored) | Requires Improvement | Requires Improvement, 2024 |
| Sidmouth CE Primary, 2017 | Good | Good, 2019 |
| Musbury Primary, 2017 | Requires Improvement | Good 2019 |
| Hawkchurch CE Primary, 2017 | Good | Good 2019 |
| Gatehouse Primary Academy, 2017 (Sponsored) | Special Measures 2017 (shortly after re-brokerage) | Good, 2022 |
| Rockbeare, 2017 | Good | Good, 2022 |
| Willowbank, 2018 | Requires Improvement | Good, 2023 |
| Bere Alston, 2019 (Sponsored) | Inadequate | Good, 2024 |
| Colyton, 2020 (Sponsored) | Inadequate | Good, 2024 |
| Portesham Primary Academy, 2022 (Sponsored) | Inadequate | Not yet inspected |
| Whitchurch Primary, 2022 | Good (Declining) | Good, 2023 |
| St Budeaux, 2022 | Good | Not yet inspected |
| Charmouth, 2023 | Requires Improvement | Not yet inspected |
| Mary Deans, 2023 | Good (Declining) | Good in three areas, requires improvement in two, 2024 |

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Outcomes

During the 2023-2024, routine national assessments were continued, with results due to be nationally published.

Results in the academic year were varied. Phonics and Early Years Outcomes were positive. Year 6 results were more varied. Leaders met with each Head of School, as usual, to identify the aims and objectives for the coming year. It was noted that the outcomes in Writing and Reading have continued to improve during the year. Maths has been identified as the area most impacted by remote teaching and will remain a focus this year.

School to school support

The First Federation Trust is a nationally recognised collaboration of schools. The core element of the Trust is the sharing of best practice through distributed leadership. The benefits of this 'hardwired' learning community are:

- An absolute focus on improving outcomes for children.
- Improved teaching and learning through sharing best practice.
- Enhanced learning and curriculum opportunities for children.
- A coherent system of professional development, support and accountability.

Leaders across the Trust supported three schools as part of the Trust and School Improvement Support offer, brokered by the DfE.

The First Federation Trust is an integral part of the regional Teaching School Hub with our focus on working with schools across Devon and the South West to improve outcomes for all pupils.

Our team of school improvement leads support school improvement across all of our Trust Schools through termly work plans and our annual school improvement cycle.

Financial Governance

The First Federation Trust has been nationally recognised for its innovative and strategic governance structure. Our trustees have a range of high level skills and expertise in business and finance. A chartered accountant, who joined the board in 2015, supports and challenges the very experienced Chief Financial and Operating Officer and the new Director of Finance on all aspects of financial best practice. He also provides the board with the expertise and information enabling them to strongly challenge the decision makers within the Trust.

The Trust's Senior Leadership Team ensure all the services to the Trust are evaluated and appraised to ensure they provide the highest quality of service for the best cost. As a group of schools, the Trust has been able to use competitive tendering and strong negotiation to ensure the Trust uses its economies of scale to reduce procurement costs.

During the 2023-2024 financial year the Trust has sought external support in relation to procurement to ensure that we are meeting the requirements for public procurement.

The Strategic and Finance Committee of the Trust is provided with comprehensive details of services, contracts and purchasing. It has a member who is a chartered accountant who provides strong support and challenge.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Key Financial Performance Indicators

The main financial performance indicator is the level of reserves held by the Trust. This will continue to be a particular focus as funding is expected to decrease in real terms over the next few years.

Pupil numbers are a key performance indicator, as funding for the following year is based on these numbers. Pupil numbers over the last four Autumn census returns are as below (these exclude Nursery pupil numbers):

| School | Autumn 2020 | Autumn 2021 | Autumn 2022 | Autumn 2023 | Autumn 2024 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Aveton Gifford Primary | 103 | 100 | 104 | 105 | 97 |
| Bere Alston Primary | 144 | 124 | 102 | 105 | 104 |
| Blackpool Primary School | 317 | 315 | 299 | 280 | 272 |
| Brixington Primary | 329 | 322 | 333 | 312 | 304 |
| Charmouth Primary | Not in the Trust | Not in the Trust | Not in the Trust | 74 | 73 |
| Chudleigh Knighton | 109 | 100 | 100 | 92 | 83 |
| Colyton Primary Academy | 152 | 135 | 154 | 147 | 140 |
| Gatehouse Primary | 319 | 336 | 325 | 315 | 314 |
| Hawkchurch Primary | 32 | 30 | 23 | 28 | 33 |
| Lady Seawards Primary | 94 | 79 | 82 | 72 | 84 |
| Mary Dean's Primary | Not in the Trust | Not in the Trust | Not in the Trust | 296 | 275 |
| Musbury Primary School | 46 | 46 | 41 | 43 | 36 |
| Newton Ferrers Primary | 113 | 106 | 103 | 107 | 106 |
| Portesham CE Primary | Not in the Trust | Not in the Trust | 62 | 59 | 57 |
| Rockbeare Primary | 81 | 84 | 85 | 110 | 109 |
| Salcombe Primary School | 80 | 81 | 69 | 82 | 83 |
| Sidmouth Primary School | 447 | 456 | 490 | 472 | 424 |
| St Budeaux Primary School | Not in the Trust | Not in the Trust | 138 | 97 | 75 |
| Westcliff Primary School | 364 | 364 | 381 | 368 | 347 |
| Willowbank Primary | 282 | 280 | 257 | 244 | 246 |
| Whitchurch Primary | Not in the Trust | Not in the Trust | 213 | 215 | 220 |

Going concern

The trustees have considered the following aspects: the level of reserves, the assurance provided by internal and external auditors that the financial information (including, but not limited to, management accounts, cash flow and budget forecasts) presented to them by the Chief Finance and Operations Officer / Director of Finance is accurate and reliable, the security of funding based on monitoring pupil numbers and class structure planning, the monitoring of budget assumptions vs actuals, the level of funding for pay scale increases, due diligence for the schools that joined the Trust on 1 September 2024, as well as keeping up to date with current DfE policy including recent announcements about funding being granted or withdrawn.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the First Federation 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.

Promoting the success of the company

The following actions helped to promote the success of the company:

- Regular Trust newsletters to parents and staff throughout the year celebrating achievements and recognising challenges.
- Producing a short annual report with easily accessible information aimed at stakeholders
- Supporting staff around workload.
- Supporting schools external to the Trust through the Trust and School Improvement Offer for the Department for Education.
- Working in one management partnership.
- Successfully applying for TCAF funding and using the funding secured to help support schools in East Devon and West Dorset in 2023-2024.
- Senior leaders and trustees being part of local and national networks and sharing good practice with local schools.

FINANCIAL REVIEW

The majority of the Academy Trust's income is obtained from the DfE via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2024 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The First Federation Trust also receives grants from Devon County Council, Dorset County Council and Plymouth City Council for Individually Assigned Resources to support students who are eligible for either SEN support funding or have an Education and Health Care Plan with associated funding allocation. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted Income.

During the year ended 31 August 2024, the Academy Trust received total income of £28,944k and incurred total expenditure of £27,172k. The excess of income over expenditure for the year was £1,772k.

Our pension liability valued in line with FRS 102, causes concern to The First Federation Trust, as it does with all other academies in the UK. Note 28 to the accounts explains these commitments more clearly and shows that as at 31st August 2024 we had a liability of £303k.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18th July 2013.

At 31st August 2024 the net book value of fixed assets was £25,309k and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively in providing education and the associated support services to the pupils within the Trust.

We continue to monitor each individual school's budget to ensure the level of funding they receive enable the school to remain financially viable. As a result of the three-site issue at Sidmouth CE Primary School by working in conjunction with the DfE, Education and Skills Funding Agency, Devon County Council and Exeter Diocese we were awarded a capital grant by the DfE to enable the Trust to consolidate the 3 sites at Sidmouth Primary onto 2 sites. This project has started in September 2024 and is expected to be completed in the 2025/26 academic year.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Reserves policy

The trustees carefully monitor the reserve levels of the Academy Trust. This oversight encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review, in particular the decrease in the number of children of primary age.

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies. Individual academies are expected to produce at least break-even budgets each year, but the Trust also recognises that this is not feasible in some cases where academies have low pupil numbers and lower funding levels from the Education and Skills Funding Agency. In these cases, the Trust supports those academies in deficit and works with them to return the academy to a surplus position. The reserves of the Trust are pooled for the Trust as a whole and the consolidated Trust budget is set at least as a break-even budget.

The percentage of reserves to income has been affected by the Trust growth. The trustees are aware of the new guidance published by the Department for Education about reserves and the potential triggers for intervention. They have determined that the appropriate level of available reserves should be a minimum of approximately 5% of the Trust total income. Where necessary the level of reserves can drop below this position, with a medium term plan to recover them back to the 5% policy level.

The LGPS defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trust operates a cautious and risk adverse approach to investing pupil funding, income and reserves. The Trust therefore make no investments, other than cash balances being held in UK banks and their short term investments accounts, to take advantage of higher interest rates, which are all authorised by the Trustees.

As at the 31 August 2024, we had £989K invested in a 32 day notice account.

Principal risks and uncertainties

Financial - the Trust has considerable reliance on continued government funding through the Education and Skills Funding Agency. Whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Trustees are aware that TCAF funding is no longer available and neither are conversion grants for maintained schools converting to academy status to join the Trust.

Pupil numbers - these are a key factor in providing the funding for schools. Trustees support the Trust by ensuring they monitor pupil numbers and encourage schools to promote themselves within the local communities. Our marketing & communication manager for the Trust continues to support schools in the use of social media & marketing to enable them to be attractive to potential pupils.

Staffing - the success of the Trust is reliant upon the quality of its staff and so the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, trustees ensure that pupil success and achievement are closely monitored and reviewed.

**THE FIRST FEDERATION TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Fraud and mismanagement of funds - The Trust has a rigorous internal audit function to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

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

As Internal Scrutiny has continued to have a high profile and extended remit within the Academies Trust Handbook 2023 the Trust has committed to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. School based risk registers are maintained and reviewed on a regular basis

The Academy has continued to strengthen its central risk management process throughout the year by improving the process and ensuring staff awareness. A central Trust risk register is maintained, reviewed and regularly updated.

Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to finances, teaching, facilities and other operational areas such as premises. Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains Trustees have ensured they have adequate insurance cover.

Trustees examine the financial health of the Trust every term. They review performance against budgets and overall expenditure by means of regular update reports, including monthly management accounts at regular meetings. Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

Regular budget monitoring has been maintained and the senior central staff had oversight of the financial situation of the Trust. Regular trustees' meetings have been held throughout the period to discuss any issues affecting the Trust, in accordance with the planned governance meeting calendar.

To ensure the Trust estate is safe and well maintained we have a regular Health & Safety Reviews carried out by Devon Local Authority. A Planned Preventative Maintenance contract is in place that covers our statutory inspections. Condition surveys have been undertaken across the estate that inform our capital planning programme. Reinforced Autoclaved Aerated Concrete (RAAC) investigations took place on those schools that were deemed to be at possible risk. These investigations confirmed that no RAAC was present in these schools. Asbestos reinspection's are carried out annually. Legionella inspections and testing is carried out monthly and as per statutory guidance. Tree surveys are carried out in schools where necessary.

FUNDRAISING

The Trust does not fund raise directly with the public.

Parent Teacher Associations for the Trust schools raise funds for their individual schools by running events in their school and/or local community.

As described in the public benefits section, each school holds special events to help raise funds for local and national charities.

The Trust applies for available grants where possible.

STREAMLINED ENERGY AND CARBON REPORTING

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all 21 schools controlled during the reporting period and minibuses along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet). This reporting period saw the addition of Charmouth Primary School and Mary Dean's CofE Primary School and Nursery. A full 12 months of energy and emissions have been reported for benchmarking and future annual comparisons.

Reporting period

The annual reporting period is 1st September to 31st August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2024 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Zenergi Limited (trading as Briar Consulting Engineers Limited).

The electricity, gas and oil consumption were compiled from invoice records. Where invoices do not cover the whole reporting period, consumption was estimated using the pro-rata estimation technique and noted in the carbon dashboard. Odometer readings were used to calculate energy use and emissions associated with minibuses. Mileage claims were used to calculate energy use and emissions associated with grey fleet. On site renewable solar photovoltaic electricity generation has been monitored via meter readings. Exported energy is not measured but estimated to be 50%. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Breakdown of energy consumption used to calculate emissions (kWh):

| Energy type | 2022/23 | 2023/24 |
|-----------------------------------------------------|------------------|------------------|
| Mandatory: | | |
| Gas | 2,074,809 | 2,064,734 |
| Purchased electricity from the grid | 949,452 | 847,947 |
| Transport fuel | 133,723 | 153,624 |
| Total energy (mandatory) | 3,157,983 | 3,066,305 |
| Voluntary: | | |
| Oil | 18,144 | 23,149 |
| Consumed electricity from on-site renewable sources | 6,905 | 13,606 |
| Total energy (voluntary) | 25,049 | 36,755 |
| Total energy (mandatory & voluntary) | 3,183,033 | 3,103,060 |

NOTE: Figures may not sum due to rounding

Breakdown of emissions associated with the reported energy use (tCO₂e):

| Emission source | 2022/23 | 2023/24 |
|----------------------------------------------------------|----------------|----------------|
| Mandatory: | | |
| Scope 1 | | |
| Gas | 381.3 | 380.9 |
| Trust-owned vehicles (minibuses) | 3.8 | 3.7 |
| Scope 2 | | |
| Purchased electricity (location-based) | 196.6 | 175.6 |
| Scope 3 | | |
| Category 6: Business travel (grey fleet) | 28.7 | 33.6 |
| Total gross emissions (mandatory) | 611.0 | 593.7 |
| Voluntary: | | |
| Scope 1 | | |
| Oil | 4.7 | 5.9 |
| Consumed electricity from on-site renewable sources | 0.0 | 0.0 |
| Total gross emissions (voluntary) | 4.7 | 5.9 |
| Total gross emissions (mandatory & voluntary) | 615.7 | 599.6 |

NOTE: Figures may not sum due to rounding

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Intensity ratio:

| Intensity ratios | 2022/23 | 2023/24 |
|---------------------------------------------------------|----------------|----------------|
| Mandatory: | | |
| Tonnes of CO ₂ e per pupil | 0.182 | 0.166 |
| Tonnes of CO ₂ e per square meter floor area | 0.031 | 0.027 |
| Mandatory & voluntary: | | |
| Tonnes of CO ₂ e per pupil | 0.183 | 0.167 |
| Tonnes of CO ₂ e per square meter floor area | 0.031 | 0.027 |

Two intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2023 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Total energy use and emissions have decreased this year by 79,973 kWh (-2.5%) and 16.1 tCO₂e (-2.6%) respectively. This reporting period saw the addition of two new schools within the Trust, so it would be expected for energy use and emissions to have increased in this reporting period compared to the previous reporting period. This therefore suggests that the energy efficiency actions implemented by the Trust are having a significant impact in reducing energy usage and therefore carbon emissions.

In the reporting period September 2023 – August 2024, the Trust has taken the following energy efficiency actions:

1. LED instalments have continued across sites within the Trust as part of an ongoing programme.
2. Further expansion of the solar project at Gatehouse Primary Academy through the installation of more solar panels at the site.
3. Improved maintenance efficiencies have been implemented across multiple sites within the Trust.
 - a. Hall heating efficiency improvements at Lady Seaward's CofE Primary School.
 - b. New energy efficient boilers have been installed at Sidmouth CofE Primary School, Whitchurch Community Primary School and Newton Ferrers CofE Primary School, replacing older and less efficient boilers.
 - c. Roof works and repairs have been completed at Willowbank Primary School and Blackpool CofE Primary School. New heating units have been installed at Chudleigh Knighton CofE Primary School, Brixington Primary Academy and St Budeaux CofE Primary Academy.
 - d. Window improvements were implemented at Beere Alston Primary Academy to help mitigate heat loss and therefore reduce energy wastage.
4. New behavioural changes have been implemented within the Trust.
 - a. Schools in the Trust continue to appoint pupil Eco committees with a "turn the lights off" initiative in order to educate pupils the importance of energy saving.
 - b. All schools recycle paper and some food waste.
 - c. Heating controls have been adjusted to reduce timings throughout the week,
 - d. Timers have been installed to ensure photocopiers and IT equipment are switched off at the end of the school day.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

The Trust remains committed to reducing its carbon footprint and continues to look out for new energy saving and funding opportunities going forwards.

PLANS FOR FUTURE PERIODS

Our vision is that all schools within the Trust continually improve, ensuring we raise aspirations for all pupils. The last academic year was successful in terms of many educational and other measured outcomes. During the forthcoming year, this success will be built on. Post-election and change of government, the educational landscape remains quite unsettled, both regionally and nationally. Finance remains under stress, due to funding not keeping pace with inflation and pay scale increases.

Our growth plan has been revised and widely shared. There is a clear view of what the Trust would like to achieve in the coming years. Trustees will work closely with the Regional Director and the Dioceses of Exeter, Bath & Wells and Salisbury.

We have a clear view of how we wish to grow, but as previously, are clear that growth must not be at the detriment of our current member schools.

There will be a strong focus on the new joiner schools to ensure they have successful sponsorships. During the year, we expect our eight new schools to start to embed new systems and structures for the benefit of their pupils. Other joiner schools will also start to add capacity to the Trust. Discussions continue with many other partners, which may result in further growth in the coming year.

The main focus areas for the Trust in 2024-25 are:

- Raising standards for all, including vulnerable groups, especially in mathematics.
- Securing financial health
- Developing effective HR systems
- Evolving Trust systems and structures as a larger, growing Trust.

At the heart of everything we do and develop, will always be the aim to ensure that we provide the best outcomes and opportunities for our pupils.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

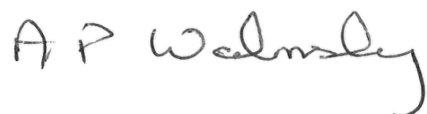
None of the First Federation Trust schools hold funds on behalf of others.

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, and signed on the board's behalf by:



Mr A P Walmsley MBE

Chair of Trustees

Date: *19 December 2024*

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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024**

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that the First Federation 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 Academy Trust Governance Guide and Trust Quality Descriptors within the Commissioning High Quality Trusts document.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the First Federation 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 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|-----------------|-------------------|-------------------|
| Dr C Bromfield | 6 | 6 |
| Mrs A Denner | 6 | 6 |
| Mrs A E Gosling | 3 | 6 |
| Mrs R J Shaw | 5 | 6 |
| Mr P S Walker | 5 | 6 |
| Mr A P Walmsley | 6 | 6 |
| Dr M D Williams | 6 | 6 |
| Rev P Wimsett | 6 | 6 |

Mrs A E Gosling resigned with effect from 30 August 2024.

New parent council members were recruited for the following schools, following the resignation of the previous postholder or to have a second parent council member to provide additional governance capacity, or to fill positions for the new schools that joined the Trust: Mary Dean's, Newton Ferrers, Chudleigh Knighton, Axminster, Membury, St Andrew's, Charmouth, Hawkchurch, Mrs Ethelston's, Portesham and Thorncombe St Mary.

Two foundation representatives from Salisbury and one from Bath & Wells were appointed on hub boards as a result of the growth of the Trust.

The Trust continued to hold regular parent council member meetings which provide an opportunity to discuss topical issues, provide additional training and get feedback on what is working well and what can be improved within governance systems. These meetings are informal and well received. In addition, the Trust held a well-attended governance conference on 21 Sep 2024 to which all governance volunteers were invited. The conference provided an update on the Trust and education sector (including Ofsted changes), the Trust priorities for the year ahead, the expected impact of governance on school improvement, the We SEND

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

programme that the Trust is taking part in, the information and data circulated for governance meetings, and the effect of demographics on school funding as well as discussing the use of governance meetings and schools visits to effectively focus on the Trust priorities and knowing the schools' strengths and areas for development well.

The board of trustees covered its functions in accordance with the agreed scheme of delegation. Trust board, committee and hub board meetings took place as planned and ensured that the board was able to fulfil its statutory functions and respond to topical matters promptly and efficiently. Trust board and committee meetings are held in meeting rooms with video conferencing equipment so that attendance can be in person or virtual. Hub board meetings take place virtually as this is the preference of their members and helps to ensure good attendance.

The board of trustees reflected on its effectiveness as part of the development of the 2024-27 Trust strategic plan.

Responses from school leaders to a survey that included questions about the governance of the Trust were shared with the board. A survey of hub board members and the governors of the local boards for the schools that were part of Acorn Multi Academy Trust was conducted and the results analysed by the Company Secretary.

The agenda and papers for hub boards were amended as a result of the feedback received over the year. The board will continue to review its effectiveness regularly, with a dedicated review session due to take place during the current year, to evaluate the impact of the Trust growth on governance effectiveness.

Trustees use a range of KPIs to inform their work. These consist of financial KPIs, pupil numbers, pupil internal assessment data (including sub-groups such as Pupil Premium and SEND children), pupil attendance, suspensions and formal complaints. Statutory test data, as well as national and regional benchmarks, was scrutinised by the board, especially where results were not as anticipated. Data reports have been redeveloped to help make them more visual and easier to understand.

The Trust has also started to work with ImpactEd around developing a dashboard that includes KPIs relevant to the Trust 2024-2027 strategic plan and will in time enable live access to those for trustees and Trust senior leaders.

Trust and hub boards have access to the outcome of Ofsted and SIAMS inspections to help inform their view of the performance of the Trust, as well as external audits in the areas of safeguarding, data protection, and health & safety.

Conflicts of interests

The Trust maintains an up-to-date register of interests in accordance with the requirements from the 2023 Academy Trust Handbook. Governance volunteers, senior leaders and staff with financial responsibilities are required to update their register of interests forms annually. The forms are scrutinised. Staff with financial responsibilities are regularly reminded of the importance of being vigilant for potential conflicts of interests and related party transactions.

The Chief Finance and Operating Officer / Director of Finance, company secretary (aka Trust governance officer) and Trust accountant work closely together to ensure potential conflicts and related party transactions are identified and to seek advice where necessary.

Declaring conflict of interests is a standing agenda item for all governance meetings and the reason for this is explained during induction training. Governance volunteers are invited to err on the side of caution and declare anything that may be relevant. Where a conflict is reported, the board reflects on whether it is appropriate for that person to remain in the meeting and/or participate in the discussion.

Should an actual conflict of interest exists, then the party would be asked to withdraw from the meeting and prevented from voting on any related decision or influencing the decision making.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

The Strategic & Finance Committee is a committee of the main board of trustees. Its remit includes finance, growth and due diligence, personnel, premises and Health & Safety. One member of the committee is not a trustee and was appointed because of his financial, statistics and actuarial expertise.

The committee met six times during 2023-24. Attendance was as follows:

| Strategic & finance committee member | Meetings attended | Out of a possible |
|---------------------------------------------------|-------------------|-------------------|
| Mrs A Denner | 6 | 6 |
| Mrs A E Gosling | 5 | 6 |
| Mr I Thomas (non trustee member of the committee) | 3 | 6 |
| Mr P S Walker | 6 | 6 |
| Mr A P Walmsley | 6 | 6 |
| Dr M D Williams | 5 | 6 |

The chair of the Strategic & Finance Committee who is also the chair of the board provides additional finance and budget scrutiny by meeting with the Chief Finance and Operations Officer / Director of Finance and the Trust accountant to review monthly management accounts. Notes from these meetings are reviewed by the committee.

Over the year, the Strategic & Finance committee particularly carefully monitored financial sustainability, as trustees were very mindful of the financial pressures in the education sector resulting from the decrease in pupil numbers due to demographics, nationally agreed pay scale increases, rate of inflation, national and local issues within the SEND system, and uncertainty over funding. The outcome of this close scrutiny was reported to the board.

The committee has also been watchful that, due to the growth of the Trust, thresholds for procurement have to be carefully monitored to ensure the correct frameworks are met. An external organisation has been used to help with workload in this area.

The Audit and Risk committee is also a committee of the main board of trustees. Its purpose is to fulfil the function of an audit and risk committee as defined by the Academy Trust Handbook. During 2023-2024, the committee monitored the outcome of internal scrutiny and external audits and resulting action plans, and the Trust risk register and the impact of mitigating measures. An external cyber security audit was also commissioned and this is planned to be completed in 2024/25.

The audit and risk committee met 4 times during the year. Attendance at meetings in the year was as follows:

| Audit & risk committee member | Meetings attended | Out of a possible |
|---------------------------------------------------|-------------------|-------------------|
| Mrs A Denner | 4 | 4 |
| Mrs A E Gosling | 3 | 4 |
| Mr I Thomas (non trustee member of the committee) | 2 | 4 |
| Mr A P Walmsley | 4 | 4 |
| Dr M D Williams | 3 | 4 |

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Review of value for money

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

As accounting officer, Mr P S Walker (Chief Executive Officer) has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Challenging how and why services are provided to all of our academies within the First Federation Trust. We regularly review all of the academy's core functions through requesting regular feedback, target setting, performance indicators and evaluating the impact on pupil outcomes and learning, to ensure continual improvement in all areas of the Trust.
- Comparing the performance of the Academy Trust as a whole and also comparing individual academies with other schools and academies from both within and outside of the Academy Trust.
- Promoting fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way possible. The Trust aims to review and/or re-negotiate contracts at regular intervals where appropriate, with three-year contracts being recommended as the maximum. The lowest tender or price shall generally be accepted but where a different decision is taken, the board ensures the reasons for this are documented
- Collaborating with academies across the First Federation Trust to obtain high quality and good value products, services and professional development opportunities, as well as developing and growing our own staff and services.

The First Federation Trust will also achieve Best Value through the following practical methods:

- Bulk and routine purchasing of common consumables'
- Negotiating discounts,
- Being aware of, and taking advantage of, seasonal pricing variations,
- Ensuring alternative quotes are obtained whenever possible.

The Trust continues to outsource a procurement expert to support with large value tenders.

Funding continues to be used to ensure compliance with the Trust Estate and the following inspections and contracts are in place for:

- * Health & Safety Reviews
- * Planned Preventative Maintenance Contract
- * Asbestos inspections
- * Legionella inspections
- * Tree inspections
- * Fire Extinguisher testing
- * RAAC investigations
- * Gutter clearance
- * Glazing surveys and remedial works

The Trust capital programme identified numerous projects across the estate, which were ranked in priority order with funding being allocated to boiler/heating replacement in Salcombe, roofing repairs at Blackpool, toilet refurbishment at Musbury, the security system at Chudleigh Knighton, building repairs at Colyton and in conjunction with Devon County Council we have replaced a mobile classroom at Rockbeare Primary School.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

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 First Federation Trust for the period 1 September 2023 to 31 August 2024 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 (including premises and Health & Safety) 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 2023 to 31 August 2024 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 strategic and finance committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

The board of trustees appointed Thompson Jenner LLP to provide the internal audit function from Sep 2022 following a tender exercise to secure the appropriate level of internal scrutiny for the current size of the Trust. The internal auditor performed an agreed programme of internal scrutiny which focusses on the Trust's financial systems, covering items in line with the Education and Skills Funding Agency requirements and prioritised based on identified risks for the Trust and the sector.

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

- Core purchase processes and procedures (including fraud and regularity, contracts and procurement
- Income
- Charge cards
- Staff expenses
- Trip administration
- Pupil numbers
- Single Central Register (Trust level only)
- Fixed assets and inventory
- Contracts and procurement
- Payroll
- Business interests
- High-level governance including risk register, policies, agendas and minutes
- Management accounts, budgeting, month end cut off

On a termly basis, the internal auditors report to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

On an annual basis the internal auditors prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess progress in year.

The internal auditor delivered their schedule of work as planned. They visited all the schools which were part of the Trust during 2023-2024 as well as the Trust head office. There were no matters requiring immediate remedial action. There were a number of matters where changes were recommended to achieve more robust control. These have either been completed and closed or are being acted upon.

The audit & risk committee continued to use the audit tracker tool implemented last year to ensure that all internal and external audit recommendations are actioned. This tracker also includes significant actions from Health & Safety external reviews.

Review of effectiveness

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

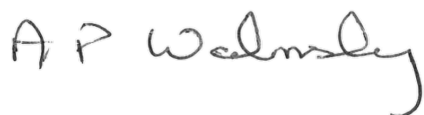
- the work of the internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor
- correspondence from Education and Skills Funding Agency e.g. financial notice to improve/notice to improve (FNI/NFI) and 'minded to' letters.

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.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the board of trustees and signed on its behalf by:



Mr A P Walmsley MBE

Chair of Trustees

Date: *19 December 2024*



Mr P S Walker

Accounting Officer

Date: *19 December 2024*

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The First Federation Trust, I have considered my responsibility to notify the Academy Trust 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, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2023.

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.



Mr P S Walker
Accounting Officer

Date: *19 December 2024*

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

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:

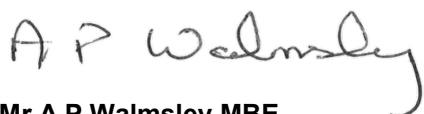
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 and signed on its behalf by:



Mr A P Walmsley MBE

Chair of Trustees

Date: *19 December 2024*

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

We have audited the financial statements of The First Federation Trust (the 'Academy Trust') for the year ended 31 August 2024 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 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2024 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 2023 to 2024 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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 Trust'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.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
FIRST FEDERATION 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
FIRST FEDERATION 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations; and assessment of the impact of schools joining the Academy Trust in relation to these areas;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- these matters were discussed among the audit engagement team who also considered any potential indicators of fraud

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. Further to this, we have considered the recognition of schools on conversion into the Academy Trust. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, Charity Law, Charity SORP, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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



Nathan Coughlin FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: *20 December 2024*

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 4 May 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The First Federation Trust during the year 1 September 2023 to 31 August 2024 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 The First Federation Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The First Federation 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 The First Federation Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE FIRST FEDERATION TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The First Federation Trust's funding agreement with the Secretary of State for Education dated 27 June 2019 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 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 Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In line with the Framework and guide for external auditors and reporting accountants of Academy Trusts issued March 2024, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: *20 December 2024*

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

| | Note | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Restricted fixed asset funds 2024 £000 | Total funds 2024 £000 | Total funds 2023 £000 |
|---------------------------------------------------------------------|------|---------------------------------------|-------------------------------------|----------------------------------------------------|--------------------------------|--------------------------------|
| Income from: | | | | | | |
| Donations and capital grants: | 4 | | | | | |
| Amounts transferred on conversion | | - | 175 | 2,103 | 2,278 | - |
| Other donations and capital grants | | 171 | 362 | 896 | 1,429 | 2,672 |
| Other trading activities | 6 | 478 | - | - | 478 | 267 |
| Investments | 7 | 39 | - | - | 39 | 35 |
| Charitable activities | 5 | 1,559 | 23,161 | - | 24,719 | 21,436 |
| Total income | | 2,247 | 23,698 | 2,999 | 28,944 | 24,410 |
| Expenditure on: | | | | | | |
| Raising funds | 8 | 183 | - | - | 183 | 153 |
| Charitable activities | 9 | 937 | 25,161 | 891 | 26,989 | 25,257 |
| Total expenditure | | 1,120 | 25,161 | 891 | 27,172 | 25,410 |
| Net income/ (expenditure) | | 1,127 | (1,463) | 2,108 | 1,772 | (1,000) |
| Transfers between funds | 22 | (833) | 800 | 33 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 294 | (663) | 2,141 | 1,772 | (1,000) |
| Actuarial gains on defined benefit pension schemes | 30 | - | 609 | - | 609 | 2,458 |
| Net movement in funds | | 294 | (54) | 2,141 | 2,381 | 1,458 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 1,066 | (249) | 27,230 | 28,048 | 26,590 |
| Net movement in funds | | 294 | (54) | 2,141 | 2,381 | 1,458 |
| Total funds carried forward | | 1,360 | (303) | 29,371 | 30,428 | 28,048 |

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

The notes on pages 39 to 75 form part of these financial statements.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07819870**

**BALANCE SHEET
AS AT 31 AUGUST 2024**

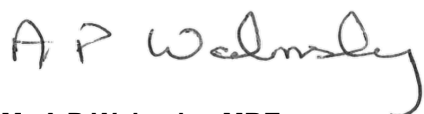
| | Note | 2024 £000 | 2023 £000 |
|---------------------------------------------------------|------|---------------|---------------|
| Fixed assets | | | |
| Intangible assets | 15 | 23 | 36 |
| Tangible assets | 16 | 25,310 | 22,842 |
| | | <u>25,333</u> | <u>22,878</u> |
| Current assets | | | |
| Stocks | 18 | 40 | 40 |
| Debtors | 19 | 4,272 | 4,511 |
| Cash at bank and in hand | 27 | 3,415 | 3,690 |
| | | <u>7,727</u> | <u>8,241</u> |
| Creditors: amounts falling due within one year | 20 | (2,306) | (2,013) |
| | | <u>5,421</u> | <u>6,228</u> |
| Net current assets | | 5,421 | 6,228 |
| Total assets less current liabilities | | 30,754 | 29,106 |
| Creditors: amounts falling due after more than one year | 21 | (24) | (32) |
| Net assets excluding pension liability | | 30,730 | 29,074 |
| Defined benefit pension scheme liability | 30 | (303) | (1,027) |
| Total net assets | | 30,427 | 28,047 |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07819870**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024**

| | Note | 2024 £000 | 2023 £000 |
|--------------------------------------------|------|---------------|---------------|
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 22 | 29,371 | 27,230 |
| Restricted income funds | 22 | - | 778 |
| | | 29,371 | 28,008 |
| Restricted funds excluding pension reserve | 22 | 29,371 | 28,008 |
| Pension reserve | 22 | (303) | (1,027) |
| | | 29,068 | 26,981 |
| Total restricted funds | 22 | 29,068 | 26,981 |
| Unrestricted income funds | 22 | 1,359 | 1,066 |
| | | 30,427 | 28,047 |
| Total funds | | 30,427 | 28,047 |

The financial statements on pages 35 to 75 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr A P Walmsley MBE

Chair of Trustees

Date: 19 December 2024

The notes on pages 39 to 75 form part of these financial statements.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024**

| | Note | 2024 £000 | 2023 £000 |
|---------------------------------------------------------|-------------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 24 | 72 | 260 |
| Cash flows from investing activities | 26 | (339) | 55 |
| Cash flows from financing activities | 25 | (8) | (8) |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | | (275) | 307 |
| Cash and cash equivalents at the beginning of the year | | 3,690 | 3,383 |
| Cash and cash equivalents at the end of the year | 27, 28 | 3,415 | 3,690 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 39 to 75 form part of these financial statements

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. GENERAL INFORMATION

The First Federation Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Blackpool C Of E Primary School, Liverton, Newton Abbot, Devon, TQ12 6JB and its registered number is 07819870.

2. ACCOUNTING POLICIES

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

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2022 and the Companies Act 2006.

The First Federation Trust meets the definition of a public benefit entity under FRS 102.

2.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

2.4 EXPENDITURE

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

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE (CONTINUED)

• **Expenditure on raising funds**

This includes all expenditure incurred by the Academy Trust 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 Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

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

2.6 TAXATION

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

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

2.7 INTANGIBLE ASSETS

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

| | |
|-------------------|-----------|
| Computer software | - 5 years |
|-------------------|-----------|

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS

Assets costing £2,500 (previously £1,000 up to 1 December 2023) 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.

The board has decided to exclude from land and buildings the full value of the premises occupied under licence from the Dioceses of Exeter and Salisbury in line with ESFA current guidance. Each Church school's Church Supplemental Agreement states that for these Church sites, the Trustees may give two years written notice to terminate the agreement. Therefore, any additions to these premises will be depreciated over 2 years. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

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 bases:

| | |
|------------------------------|----------------|
| Freehold buildings | - 50 years |
| Leasehold land and buildings | - 2 - 50 years |
| Furniture and equipment | - 4 years |
| Plant and machinery | - 3 years |
| Computer equipment | - 3 years |
| Assets under construction | - As below |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

2.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

2.10 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

2. ACCOUNTING POLICIES (continued)

2.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity.

2.12 LIABILITIES

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

2.13 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. 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 notes 20 and 21. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.14 OPERATING LEASES

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

2. ACCOUNTING POLICIES (continued)

2.15 PENSIONS

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

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

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

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

2.16 CONSOLIDATION

The Trust has one subsidiary undertaking, which is wholly immaterial to the group and, accordingly, consolidated financial statements have not been prepared. Further details regarding the subsidiary undertaking are given in note 17 to the financial statements.

2.17 FUND ACCOUNTING

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

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

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

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

Land and buildings acquired on conversion to academy are valued where possible using an independent valuation from the ESFA. Where this is not available at the date the accounts are prepared, the assets are included in the financial statements at a value derived from management's assessment of the value of assets, based on information available at the time including insurance valuations and benchmarks from other academies.

Critical areas of judgement:

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

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Restricted fixed asset funds 2024 £000 | Total funds 2024 £000 |
|---------------------------------------------|-------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------|------------------------------------------|
| Transfer from local authority on conversion | - | 175 | 2,103 | 2,278 |
| Donations | 171 | 362 | 32 | 565 |
| Capital Grants | - | - | 864 | 864 |
| | <u>171</u> | <u>537</u> | <u>2,999</u> | <u>3,707</u> |
| | <u><u>171</u></u> | <u><u>537</u></u> | <u><u>2,999</u></u> | <u><u>3,707</u></u> |
| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
| Transfer from local authority on conversion | - | - | - | - |
| Donations | 110 | 800 | 52 | 962 |
| Capital Grants | - | - | 1,305 | 1,305 |
| Educational trips, visits and clubs | 405 | - | - | 405 |
| | <u>515</u> | <u>800</u> | <u>1,357</u> | <u>2,672</u> |
| | <u><u>515</u></u> | <u><u>800</u></u> | <u><u>1,357</u></u> | <u><u>2,672</u></u> |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Total funds 2024 £000 |
|---------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------|------------------------------------------|
| EDUCATION | | | |
| DFE/ESFA GRANTS | | | |
| General Annual Grant (GAG) | - | 18,176 | 18,176 |
| Other DfE/ESFA Grants: | | | |
| Pupil Premium | - | 1,155 | 1,155 |
| PE and Sports | - | 358 | 358 |
| Universal Infants Free School Meals | - | 513 | 513 |
| Mainstream Schools Additional Grant | - | 591 | 591 |
| Trust Capacity Fund | - | 253 | 253 |
| Other DfE/ESFA Income | - | 568 | 568 |
| | - | 21,614 | 21,614 |
| OTHER GOVERNMENT GRANTS | | | |
| SEN/High Needs Income | - | 1,184 | 1,184 |
| Nursery Funding | 673 | - | 673 |
| Other LA funding | - | 226 | 226 |
| Nursery Plus Funding | 252 | - | 252 |
| | 925 | 1,410 | 2,335 |
| Other income from the Academy Trust's educational operations | 634 | 19 | 653 |
| COVID-19 ADDITIONAL FUNDING (DFE/ESFA) | | | |
| Recovery Premium | - | 112 | 112 |
| National Tutoring Programme | - | 6 | 6 |
| | - | 118 | 118 |
| | 1,559 | 23,161 | 24,720 |

During the year, the Trust received £112,000 (2023: £100,000) for Recovery Premium. The total costs incurred in respect of this income was £112,000 (2023: £100,000).

The Trust received £6,000 (2023: £102,000) from the National Tutoring Programme. The total costs incurred in respect of the income was £6,000 (2023: £102,000).

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES (CONTINUED)

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 |
|---------------------------------------------------------------------|---------------------------------------|-------------------------------------|--------------------------------|
| EDUCATION | | | |
| DFE/ESFA GRANTS | | | |
| General Annual Grant (GAG) | - | 15,733 | 15,733 |
| Other DFE/ESFA Grants: | | | |
| Pupil Premium | - | 997 | 997 |
| Start up Grants | - | 95 | 95 |
| PE and Sports | - | 334 | 334 |
| Universal Infants Free School Meals | - | 490 | 490 |
| Mainstream Schools Additional Grant | - | 231 | 231 |
| Trust Capacity Improvement Fund | - | 327 | 327 |
| Other DfE/ESFA Income | - | 187 | 187 |
| School Supplementary Grant | - | 459 | 459 |
| | - | 18,853 | 18,853 |
| OTHER GOVERNMENT GRANTS | | | |
| SEN/High Needs Income | - | 1,026 | 1,026 |
| Nursery Funding | 480 | - | 480 |
| Other LA Funding | - | 283 | 283 |
| Nursery Plus Funding | 196 | - | 196 |
| | 676 | 1,309 | 1,985 |
| Other income from the Academy Trust's educational operations | 359 | 37 | 396 |
| COVID-19 ADDITIONAL FUNDING (DFE/ESFA) | | | |
| Recovery Premium | - | 100 | 100 |
| National Tutoring Programme | - | 102 | 102 |
| | - | 202 | 202 |
| | 1,035 | 20,401 | 21,436 |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

6. INCOME FROM OTHER TRADING ACTIVITIES

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 | Total funds 2023 £000 |
|------------------------------|-------------------------------------------------|------------------------------------------|--------------------------------|
| Hire of facilities | 51 | 51 | 42 |
| Recharges and reimbursements | 159 | 159 | 139 |
| Other income | 255 | 255 | 65 |
| School shop sales | 13 | 13 | 21 |
| | <u>478</u> | <u>478</u> | <u>267</u> |

All 2023 amounts relate to unrestricted funds.

7. INVESTMENT INCOME

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 | Total funds 2023 £000 |
|---------------------|-------------------------------------------------|------------------------------------------|--------------------------------|
| Short term deposits | 39 | 39 | 35 |

All 2023 amounts relate to unrestricted funds.

8. EXPENDITURE

| | Staff Costs 2024 £000 | Premises 2024 £000 | Other 2024 £000 | Total 2024 £000 |
|------------------------------------------------|--------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Expenditure on fundraising trading activities: | | | | |
| Direct costs | 183 | - | - | 183 |
| Education: | | | | |
| Direct costs | 17,122 | - | 1,598 | 18,720 |
| Allocated support costs | 2,767 | 3,259 | 2,244 | 8,270 |
| | <u>20,072</u> | <u>3,259</u> | <u>3,842</u> | <u>27,173</u> |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

8. EXPENDITURE (CONTINUED)

| | Staff Costs 2023 £000 | Premises 2023 £000 | Other 2023 £000 | Total 2023 £000 |
|------------------------------------------------|-----------------------------|--------------------------|-----------------------|-----------------------|
| Expenditure on fundraising trading activities: | | | | |
| Direct costs | 153 | - | - | 153 |
| Education: | | | | |
| Direct costs | 15,127 | - | 1,742 | 16,869 |
| Allocated support costs | 2,357 | 3,274 | 2,759 | 8,390 |
| | <u>17,637</u> | <u>3,274</u> | <u>4,501</u> | <u>25,412</u> |

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2024 £000 | Support costs 2024 £000 | Total funds 2024 £000 |
|-----------|------------------------------------------------------|----------------------------------|--------------------------------|
| Education | <u>18,720</u> | <u>8,270</u> | <u>26,990</u> |

| | Activities undertaken directly 2023 £000 | Support costs 2023 £000 | Total funds 2023 £000 |
|-----------|------------------------------------------------------|----------------------------------|--------------------------------|
| Education | <u>16,869</u> | <u>8,389</u> | <u>25,258</u> |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

| | Total funds 2024 £000 | Total funds 2023 £000 |
|---------------------------------------|------------------------------------------|--------------------------------|
| Staff costs | 2,692 | 2,335 |
| Depreciation and amortisation | 891 | 1,684 |
| Other costs | 2,176 | 1,730 |
| Maintenance of premises and equipment | 2,368 | 2,511 |
| Governance costs | 143 | 129 |
| | 8,270 | 8,389 |

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

| | 2024 £000 | 2023 £000 |
|---------------------------------------|----------------------|--------------|
| Operating lease rentals | 71 | 65 |
| Depreciation of tangible fixed assets | 878 | 719 |
| Amortisation of intangible assets | 13 | 14 |
| Fees paid to auditors for: | | |
| - audit | 30 | 28 |
| - other services | 6 | 8 |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

11. STAFF

a. STAFF COSTS AND EMPLOYEE BENEFITS

Staff costs during the year were as follows:

| | 2024 | 2023 |
|---------------------------|---------------|--------|
| | £000 | £000 |
| Wages and salaries | 15,197 | 13,146 |
| Social security costs | 1,408 | 1,193 |
| Pension costs | 3,429 | 3,353 |
| | 20,034 | 17,692 |
| Agency staff costs | 241 | 262 |
| Staff restructuring costs | 4 | - |
| | 20,279 | 17,954 |

Included within pension costs is £-251,000 (2023: £430,000) relating to the adjustments on the LGPS pension deficit liability.

Staff restructuring costs comprise a severance payment of £4,000.

b. SEVERANCE PAYMENTS

The Academy Trust paid 1 severance payments in the year (2023 - -), disclosed in the following bands:

| | 2024 | 2023 |
|--------------|-------------|------|
| | No. | No. |
| £0 - £25,000 | 1 | - |

c. STAFF NUMBERS

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

| | 2024 | 2023 |
|----------------------------------|-------------|------|
| | No. | No. |
| Teachers and educational support | 500 | 448 |
| Administration and support | 164 | 152 |
| Management | 5 | 5 |
| | 669 | 605 |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

11. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

| | 2024 | 2023 |
|---------------------------------|-------------|------|
| | No. | No. |
| In the band £60,001 - £70,000 | 6 | 7 |
| In the band £70,001 - £80,000 | 4 | 2 |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £90,001 - £100,000 | 1 | 1 |
| In the band £130,001 - £140,000 | - | 1 |
| In the band £140,000 - £150,000 | 1 | - |

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £584,000 for 6 staff (2023 - £552,000 for 5 staff).

12. CENTRAL SERVICES

During the year the Trust pooled its reserves. Therefore, no central services were provided by the Academy Trust to its academies during the period and no central charges arose. Additionally expenditure is pooled and therefore the costs by academy note is not included in these accounts.

13. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees only receive remuneration in respect of services they provide undertaking the roles of staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

Mr P S Walker: Remuneration £145,000 - £150,000 (2023: £130,000 - £135,000), Employers' pension contributions £nil (2023: £nil).

During the year ended 31 August 2024, expenses totalling £6,816 were reimbursed or paid directly to one Trustee (2023 - £4,842 to 1 Trustee), this Trustee is also a member of staff. All expenses were in regards to mileage for their role as a member of staff.

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2024 was £3,000 (2023 - maximum cover of £5,000,000 at the cost of £3,000). The cost of this insurance is included in the total insurance cost.

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust purchased Trustees' liability insurance and Fidelity Guarantee cover. It also has purchased cover for the co-opted trustees under the Trustee and Trust Fund Indemnity from Zurich. In accordance with the Church Supplemental Agreement for the Church schools within the Academy Trust, the Trust has subscribed for buildings and public liability insurances in joint names with the appropriate Church school site trustees.

15. INTANGIBLE ASSETS

| | Computer software £000 |
|-----------------------|---------------------------------------|
| COST | |
| At 1 September 2023 | 129 |
| At 31 August 2024 | <u>129</u> |
| AMORTISATION | |
| At 1 September 2023 | 92 |
| Charge for the year | 13 |
| At 31 August 2024 | <u>105</u> |
| NET BOOK VALUE | |
| At 31 August 2024 | <u>24</u> |
| At 31 August 2023 | <u>37</u> |

**THE FIRST FEDERATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

16. TANGIBLE FIXED ASSETS

| | Freehold land and buildings £000 | Leasehold land and buildings £000 | Assets under constructio n £000 | Furniture and equipment £000 | Plant and machinery £000 | Computer equipment £000 | Total £000 |
|-----------------------------------|-------------------------------------------|--------------------------------------------|---------------------------------------------|---------------------------------------|--------------------------------|-------------------------------|---------------|
| COST | | | | | | | |
| At 1 September 2023 (as restated) | 8,748 | 15,992 | 466 | 1,377 | 257 | 1,096 | 27,936 |
| Additions | 48 | 410 | 200 | 509 | - | 75 | 1,242 |
| Transferred in on conversion | - | 2,040 | - | 31 | - | 32 | 2,103 |
| At 31 August 2024 | 8,796 | 18,442 | 666 | 1,917 | 257 | 1,203 | 31,281 |
| DEPRECIATION | | | | | | | |
| At 1 September 2023 (as restated) | 1,593 | 1,335 | - | 964 | 257 | 945 | 5,094 |
| Charge for the year | 157 | 297 | - | 289 | - | 135 | 878 |
| At 31 August 2024 | 1,750 | 1,632 | - | 1,253 | 257 | 1,080 | 5,972 |
| NET BOOK VALUE | | | | | | | |
| At 31 August 2024 | 7,046 | 16,810 | 666 | 664 | - | 123 | 25,309 |
| At 31 August 2023 | 7,155 | 14,657 | 466 | 413 | - | 151 | 22,842 |

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16. TANGIBLE FIXED ASSETS (CONTINUED)

The value of freehold and leasehold land not depreciated is £926,000 (2023 - £926,000) and £7,129,000 (2023 - £6,529,000) respectively.

Land and buildings cost brought forward of £2,564,908 and depreciation brought forward of £1,003,355 have been reclassified from leasehold to freehold in respect of Whitchurch Community Primary School.

Leasehold land and buildings valued at £2,040,000 was donated to the Trust upon the conversion of Charmouth Primary School.

Fixtures & fittings and computer equipment were also donated to the Trust at values of £13,000 and £50,000 respectively upon the conversion of Charmouth Primary School and Mary Dean's CofE Primary School and Nursery.

17. FIXED ASSET INVESTMENTS

The Academy has a wholly owned subsidiary, First Beginnings Limited, a company incorporated in England & Wales and limited by guarantee. The principal activity of the company was to operate as a nursery, though it has not traded since 31 August 2019 as the nursery is now incorporated into the school.

18. STOCKS

| | 2024 | 2023 |
|-------------------------------------|-------------|------|
| | £000 | £000 |
| Finished goods and goods for resale | 40 | 40 |

19. DEBTORS

| | 2024 | 2023 |
|----------------------------|--------------|-------|
| | £000 | £000 |
| DUE WITHIN ONE YEAR | | |
| Trade debtors | 41 | 9 |
| Other debtors | 148 | 277 |
| Accrued income | 3,821 | 3,987 |
| Prepayments | 262 | 238 |
| | 4,272 | 4,511 |

Accrued income includes capital funding awarded in advance totalling £3,412,000 (2023 - £3,643,000).

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**NOTES TO THE FINANCIAL STATEMENTS
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20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 | 2023 |
|----------------------------------------|---------------------|--------------|
| | £000 | £000 |
| Other loans | 8 | 8 |
| Trade creditors | 282 | 600 |
| Other taxation and social security | 294 | 261 |
| Other creditors | 443 | 328 |
| Accruals and deferred income | 1,279 | 816 |
| | <u>2,306</u> | <u>2,013</u> |
| | 2024 | 2023 |
| | £000 | £000 |
| Deferred income at 1 September 2023 | 377 | 315 |
| Resources deferred during the year | 481 | 377 |
| Amounts released from previous periods | (377) | (315) |
| | <u>481</u> | <u>377</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals and other funding.

Included within other loans is a loan of £8,000 (2023 - £8,000) from ESFA which is provided on the following terms: The CIF loan is repayable in equal instalments over 6 years to 1 September 2028. The interest rate payable is 1.23% per annum.

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2024 | 2023 |
|-------------|-------------|------|
| | £000 | £000 |
| Other loans | 24 | 32 |

Included within other loans is a loan of £24,000 (2023 - £32,000) from ESFA which is provided on the following terms: The CIF loan is repayable in equal instalments over 6 years to 1 September 2028. The interest rate payable is 1.23% per annum.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. STATEMENT OF FUNDS

| | Balance at 1 September 2023 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2024 £000 |
|-----------------------------------|-------------------------------------------|----------------|---------------------|-----------------------------|----------------------------|-----------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Salary, IT and Estate Maintenance | 500 | - | - | (400) | - | 100 |
| GENERAL FUNDS | | | | | | |
| Unrestricted funds | 566 | 2,246 | (1,120) | (433) | - | 1,259 |
| TOTAL UNRESTRICTED FUNDS | 1,066 | 2,246 | (1,120) | (833) | - | 1,359 |

**THE FIRST FEDERATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. STATEMENT OF FUNDS (CONTINUED)

| | Balance at 1 September 2023 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2024 £000 |
|-----------------------------------------|-------------------------------------------|----------------|---------------------|-----------------------------|----------------------------|-----------------------------------------|
| RESTRICTED GENERAL FUNDS | | | | | | |
| General Annual Grant | 726 | 18,176 | (19,735) | 833 | - | - |
| Pupil Premium | - | 1,155 | (1,155) | - | - | - |
| PE and Sports | - | 358 | (358) | - | - | - |
| UIFSM | - | 513 | (513) | - | - | - |
| Mainstream Schools Additional Grant | - | 591 | (591) | - | - | - |
| Other DfE/ESFA grants | - | 568 | (568) | - | - | - |
| Start up grant | 52 | - | (52) | - | - | - |
| SEN/High Needs Income | - | 1,184 | (1,184) | - | - | - |
| Other LA Funding | - | 226 | (193) | (33) | - | - |
| Recovery Premium | - | 112 | (112) | - | - | - |
| Notional rent | - | 362 | (362) | - | - | - |
| Restricted funds on conversion | - | 279 | (279) | - | - | - |
| Other restricted income | - | 19 | (19) | - | - | - |
| Trust Capacity Fund | - | 253 | (253) | - | - | - |
| National Tutoring Programme | - | 6 | (6) | - | - | - |
| Pension reserve | (1,027) | (104) | 219 | - | 609 | (303) |
| | (249) | 23,698 | (25,161) | 800 | 609 | (303) |

**THE FIRST FEDERATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (CONTINUED)

| | Balance at 1 September 2023 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2024 £000 |
|---------------------------------------------|-------------------------------------------|----------------------|------------------------|-----------------------------|----------------------------|-----------------------------------------|
| RESTRICTED FIXED ASSET FUNDS | | | | | | |
| Tangible Fixed Asset Fund | 22,841 | 2,103 | (878) | 1,241 | - | 25,307 |
| Intangible Fixed Asset Fund | 37 | - | (13) | - | - | 24 |
| DfE/ESFA Capital Grants | 312 | 185 | - | (121) | - | 376 |
| School Condition Allocation | 352 | 491 | - | (687) | - | 156 |
| Local Authority | - | 125 | - | (125) | - | - |
| Energy Efficiency Grant | 12 | - | - | (7) | - | 5 |
| Sidmouth Build | 3,692 | - | - | (189) | - | 3,503 |
| Other capital funds | - | 32 | - | (32) | - | - |
| Connect the Classroom | (16) | 63 | - | (47) | - | - |
| | <u>27,230</u> | <u>2,999</u> | <u>(891)</u> | <u>33</u> | <u>-</u> | <u>29,371</u> |
| TOTAL RESTRICTED FUNDS | <u>26,981</u> | <u>26,697</u> | <u>(26,052)</u> | <u>833</u> | <u>609</u> | <u>29,068</u> |
| TOTAL FUNDS | <u><u>28,047</u></u> | <u><u>28,943</u></u> | <u><u>(27,172)</u></u> | <u><u>-</u></u> | <u><u>609</u></u> | <u><u>30,427</u></u> |

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

Restricted Funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address underlying inequalities faced by disadvantaged children.

PE & Sports Grant – This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Universal Infant Free School Meals - The Academy Trust has recognised income to the extent that expenditure was incurred during the year in order to meet its obligations to provide free school meals to all

22. STATEMENT OF FUNDS (CONTINUED)

its pupil in reception, year 1 and year 2.

Mainstream Schools Additional Grant - Additional funding received from the ESFA.

Start Up Grant - One off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

Supplementary Grant - Funding received to provide support for the costs of the Health and Social Care levy and wider costs.

Restricted funds on conversion - funds from the local authority of conversion of new schools joining the Trust.

Other DfE/ESFA Grants - Other funding received from the DfE/ESFA.

SEN/High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Other LA Funding - Other funding received from the Local Authority.

Recovery Premium - Funding to support pupils whose education was impacted by COVID-19.

Notional rent - This represents a notional rental income and expenditure for use of the Diocese-controlled school land and buildings.

Other restricted income - This represents other sources of restricted curriculum income.

Trust Capacity Fund - Funding to support the growth of the Trust.

National Tutoring Programme - Funding to provide tuition to pupils.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed Asset Funds

Fixed Assets Fund - these funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts. The transfer in represents the additions in the year.

DfE/ESFA Capital Grants - this represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

School Condition Allocation - funding for capital projects which improve the condition of school buildings.

Local Authority - funding for capital works at Willowbank School and Rockbeare CofE School.

Energy Efficiency Grant - Grant from the ESFA to improve energy efficiency of schools within the trust.

Sidmouth Build - funding from the Department for Education to complete the site consolidation and land improvement work at Sidmouth Church of England (VA) Primary School.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. STATEMENT OF FUNDS (CONTINUED)

Other Capital Grants - this represents other capital grants used to cover the purchase of the Academy's assets.

Connect the Classroom - this represents funding from the ESFA to improve internet speed in schools.

Designated Funds

Designated funds represents funds held by the trust for replacement of IT equipment and maintenance of estates.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (CONTINUED)

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

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|-----------------------------------|-------------------------------------------|----------------|---------------------|-----------------------------|----------------------------|-----------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Salary, IT and Estate Maintenance | 500 | - | (71) | 71 | - | 500 |
| GENERAL FUNDS | | | | | | |
| Unrestricted funds | 777 | 1,852 | (2,063) | - | - | 566 |
| TOTAL UNRESTRICTED FUNDS | 1,277 | 1,852 | (2,134) | 71 | - | 1,066 |

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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (CONTINUED)

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|-----------------------------------------|-------------------------------------------|----------------|---------------------|-----------------------------|----------------------------|-----------------------------------------|
| RESTRICTED GENERAL FUNDS | | | | | | |
| General Annual Grant | 685 | 15,733 | (15,682) | (10) | - | 726 |
| Pupil Premium | - | 997 | (997) | - | - | - |
| PE and Sports | - | 334 | (334) | - | - | - |
| UIFSM | - | 490 | (490) | - | - | - |
| Mainstream Schools Additional Grant | - | 231 | (231) | - | - | - |
| Supplementary Grant | - | 458 | (458) | - | - | - |
| Other DfE/ESFA grants | - | 189 | (189) | - | - | - |
| Start up grant | 62 | 95 | (105) | - | - | 52 |
| SEN/High Needs Income | - | 1,026 | (1,026) | - | - | - |
| Other LA Funding | - | 283 | (283) | - | - | - |
| Recovery Premium | - | 100 | (100) | - | - | - |
| Notional rent | - | 800 | (800) | - | - | - |
| Other restricted income | - | 37 | (37) | - | - | - |
| Trust Capacity Fund | - | 327 | (327) | - | - | - |
| National Tutoring Programme | - | 102 | (102) | - | - | - |
| Pension reserve | (3,055) | - | (430) | - | 2,458 | (1,027) |
| | <u>(2,308)</u> | <u>21,202</u> | <u>(21,591)</u> | <u>(10)</u> | <u>2,458</u> | <u>(249)</u> |

**THE FIRST FEDERATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. STATEMENT OF FUNDS (CONTINUED)

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|---------------------------------------------|-------------------------------------------|----------------|---------------------|-----------------------------|----------------------------|-----------------------------------------|
| RESTRICTED FIXED ASSET FUNDS | | | | | | |
| Tangible Fixed Asset Fund | 23,237 | - | (1,671) | 1,275 | - | 22,841 |
| Intangible Fixed Asset Fund | 41 | - | (14) | 10 | - | 37 |
| DfE/ESFA Capital Grants | 286 | 115 | - | (89) | - | 312 |
| School Condition Allocation | 338 | 435 | - | (421) | - | 352 |
| Local Authority | - | 494 | - | (494) | - | - |
| Energy Efficiency Grant | - | 261 | - | (249) | - | 12 |
| Sidmouth Build | 3,698 | - | - | (6) | - | 3,692 |
| Other capital funds | 19 | 52 | - | (71) | - | - |
| Connect the Classroom | - | - | - | (16) | - | (16) |
| | <u>27,619</u> | <u>1,357</u> | <u>(1,685)</u> | <u>(61)</u> | <u>-</u> | <u>27,230</u> |
| TOTAL RESTRICTED FUNDS | <u>25,311</u> | <u>22,559</u> | <u>(23,276)</u> | <u>(71)</u> | <u>2,458</u> | <u>26,981</u> |
| TOTAL FUNDS | <u>26,588</u> | <u>24,411</u> | <u>(25,410)</u> | <u>-</u> | <u>2,458</u> | <u>28,047</u> |

Total funds analysis by academy

Fund balances for each academy at 31 August 2024 and 31 August 2023 were zero, hence a breakdown by academy is not included in these accounts.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Restricted fixed asset funds 2024 £000 | Total funds 2024 £000 |
|-------------------------------------|---------------------------------------|-------------------------------------|----------------------------------------------------|--------------------------------|
| Tangible fixed assets | 1 | - | 25,309 | 25,310 |
| Intangible fixed assets | - | - | 23 | 23 |
| Current assets | 1,358 | 2,330 | 4,039 | 7,727 |
| Creditors due within one year | - | (2,306) | - | (2,306) |
| Creditors due in more than one year | - | (24) | - | (24) |
| Pension scheme liability | - | (303) | - | (303) |
| TOTAL | <u>1,359</u> | <u>(303)</u> | <u>29,371</u> | <u>30,427</u> |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|-------------------------------------|---------------------------------------|-------------------------------------|----------------------------------------------------|--------------------------------|
| Tangible fixed assets | - | - | 22,842 | 22,842 |
| Intangible fixed assets | - | - | 36 | 36 |
| Current assets | 1,066 | 2,823 | 4,352 | 8,241 |
| Creditors due within one year | - | (2,013) | - | (2,013) |
| Creditors due in more than one year | - | (32) | - | (32) |
| Pension scheme liability | - | (1,027) | - | (1,027) |
| TOTAL | <u>1,066</u> | <u>(249)</u> | <u>27,230</u> | <u>28,047</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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24. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2024 | 2023 |
|------------------------------------------------------------------------------------|----------------|---------|
| | £000 | £000 |
| Net income/(expenditure) for the period (as per Statement of Financial Activities) | 1,772 | (1,000) |
| ADJUSTMENTS FOR: | | |
| Amortisation | 13 | 14 |
| Depreciation | 878 | 1,671 |
| Capital grants from DfE and other capital income | (864) | (1,305) |
| Interest receivable | (39) | (35) |
| Defined benefit pension scheme obligation inherited | 104 | - |
| Defined benefit pension scheme cost less contributions payable | (251) | 317 |
| Defined benefit pension scheme finance cost | 32 | 113 |
| Decrease in stocks | - | 3 |
| Decrease/(increase) in debtors | 239 | (113) |
| Increase in creditors | 291 | 595 |
| Non-cash assets transferred on conversion to an academy Trust | (2,103) | - |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 72 | 260 |

25. CASH FLOWS FROM FINANCING ACTIVITIES

| | 2024 | 2023 |
|----------------------------------------------|-------------|------|
| | £000 | £000 |
| Repayments of borrowing | (8) | (8) |
| NET CASH USED IN FINANCING ACTIVITIES | (8) | (8) |

26. CASH FLOWS FROM INVESTING ACTIVITIES

| | 2024 | 2023 |
|------------------------------------------------------------|----------------|---------|
| | £000 | £000 |
| Bank interest | 39 | 35 |
| Purchase of intangible assets | - | (10) |
| Purchase of tangible fixed assets | (1,242) | (1,275) |
| Capital grants from DfE/ESFA | 864 | 1,305 |
| NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES | (339) | 55 |

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27. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2024 | 2023 |
|--------------------------|--------------|-------|
| | £000 | £000 |
| Cash in hand and at bank | 3,415 | 3,690 |

28. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 September 2023 | Cash flows | At 31 August 2024 |
|--------------------------|------------------------------------|-------------------|------------------------------|
| | £000 | £000 | £000 |
| Cash at bank and in hand | 3,690 | (275) | 3,415 |
| Debt due within 1 year | (8) | - | (8) |
| Debt due after 1 year | (32) | 8 | (24) |
| | 3,650 | (267) | 3,383 |

29. CAPITAL COMMITMENTS

| | 2024 | 2023 |
|----------------------------------------------------------------------|-------------|------|
| | £000 | £000 |
| CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS | | |
| Acquisition of tangible fixed assets | 222 | 245 |

30. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £432,399 were payable to the schemes at 31 August 2024 (2023 - £321,996) and are included within creditors.

30. PENSION COMMITMENTS (CONTINUED)

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation has been implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £2,270,357 (2023 - £1,789,688).

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>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

**NOTES TO THE FINANCIAL STATEMENTS
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30. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £1,726,000 (2023 - £1,351,000), of which employer's contributions totalled £1,364,000 (2023 - £1,051,000) and employees' contributions totalled £362,000 (2023 - £300,000). The agreed contribution rates for future years are 22.9 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 2.15 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

| | 2024 | 2023 |
|----------------------------------------------------|-------------|------|
| | % | % |
| Rate of increase in salaries | 3.80 | 3.85 |
| Rate of increase for pensions in payment/inflation | 2.90 | 2.85 |
| Discount rate for scheme liabilities | 5.15 | 5.30 |

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

| | 2024 | 2023 |
|-----------------------|-------------|-------|
| | Years | Years |
| Retiring today: | | |
| Males | 21.6 | 21.6 |
| Females | 23.3 | 23.3 |
| Retiring in 20 years: | | |
| Males | 22.9 | 22.9 |
| Females | 24.7 | 24.7 |

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FOR THE YEAR ENDED 31 AUGUST 2024**

30. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

| | 2024 | 2023 |
|----------------------------------------|--------------|-------|
| | £000 | £000 |
| Discount rate +0.1% | (319) | (264) |
| Discount rate -0.1% | 328 | 273 |
| Mortality assumption - 1 year increase | 439 | 364 |
| Mortality assumption - 1 year decrease | (427) | (355) |
| CPI rate +0.1% | 319 | 265 |
| CPI rate -0.1% | (310) | (257) |

SHARE OF SCHEME ASSETS

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

| | At 31 August 2024 | At 31 August 2023 |
|-------------------------------------|------------------------------|----------------------|
| | £000 | £000 |
| Equities | 9,746 | 7,742 |
| Infrastructure | 1,762 | 14 |
| Other bonds | 3,900 | 2,820 |
| Property | 1,264 | 2,286 |
| Cash and other liquid assets | 475 | 172 |
| TOTAL MARKET VALUE OF ASSETS | 17,147 | 13,034 |

The actual return on scheme assets was £1,786,000 (2023 - £313,000).

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

| | 2024 | 2023 |
|-----------------------------------------------------------------------------|----------------|---------|
| | £000 | £000 |
| Current service cost | (1,113) | (1,368) |
| Interest income | 763 | 476 |
| Interest cost | (795) | (589) |
| TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES | (1,145) | (1,481) |

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30. PENSION COMMITMENTS (CONTINUED)

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

| | 2024 | 2023 |
|-------------------------------------------------------|---------------|---------|
| | £000 | £000 |
| AT 1 SEPTEMBER | 14,061 | 13,714 |
| Current service cost | 1,113 | 1,368 |
| Interest cost | 795 | 589 |
| Employee contributions | 362 | 300 |
| Actuarial losses/(gains) | 405 | (1,907) |
| Benefits paid | (237) | (3) |
| Transferred in on academies joining the Academy Trust | 951 | - |
| AT 31 AUGUST | 17,450 | 14,061 |

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

| | 2024 | 2023 |
|-------------------------------------------------------|---------------|--------|
| | £000 | £000 |
| AT 1 SEPTEMBER | 13,034 | 10,659 |
| Interest income | 772 | 482 |
| Actuarial gains | 1,014 | 551 |
| Employer contributions | 1,364 | 1,051 |
| Employee contributions | 362 | 300 |
| Benefits paid | (237) | (3) |
| Administration expense | (9) | (6) |
| Transferred in on academies joining the Academy Trust | 847 | - |
| AT 31 AUGUST | 17,147 | 13,034 |

The net pension deficit at 31 August 2024 was £303,000 (2023: £1,027,000).

31. OPERATING LEASE COMMITMENTS

At 31 August 2024 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2024 | 2023 |
|----------------------------------------------|-------------|------|
| | £000 | £000 |
| Not later than 1 year | 65 | 56 |
| Later than 1 year and not later than 5 years | 100 | 102 |
| | 165 | 158 |

32. 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.

33. RELATED PARTY TRANSACTIONS

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

Expenditure related party transactions

The following related party transactions took place in the year:

Exeter Diocesan Education Network (EDEN)

(A member of the Trust)

During the year, there were transactions totalling £90 (2023 - £nil) in relation to training for the statutory inspection of anglican and methodist schools. At the balance sheet date the amount due was £nil (2023 - £nil).

Exeter Diocesan Board of Finance (EDBF) Limited

(EDBF is controlled by Exeter Diocese Education Network (EDEN), a member of the Trust)

During the year, there were transactions totalling £200 (2023 - £90) in relation to training courses. At the balance sheet date the amount due was £nil (2023 - £nil).

Income related party transactions

The following related party transactions took place in the year:

Schools Direct Programme

(Programme run by University of St Mark & St John, a member of the Trust)

During the year there were transactions totalling £18,500 (2023 - £37,000) in relation to teacher training income for the programme. There was also income of £3,585 in relation to other teacher training courses. At the balance sheet date the amount due was £nil (2023 - £nil).

Centre Stage Exmouth

(A charity where a Trustee is also a Trustee)

During the year there were transactions totalling £1,935 (2023 - £nil) in relation to the hire of facilities. At the balance sheet date the amount due was £1,935 (2023 - £nil).

34. POST BALANCE SHEET EVENTS

All 7 of the schools which were part of Acorn MAT joined the Trust on 1 September 2024. Chickerell Primary Academy also joined the Trust on 1 September 2024.

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35. CONVERSION TO AN ACADEMY TRUST

On 1 September 2023 Charmouth Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The First Federation Trust from Dorset Council for £nil consideration.

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

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

| | Restricted funds £000 | Restricted fixed asset funds £000 | Total funds £000 |
|------------------------------------------------|--------------------------------------|------------------------------------------------------|---------------------------------|
| TANGIBLE FIXED ASSETS | | | |
| Leasehold land and buildings | - | 2,040 | 2,040 |
| Other tangible fixed assets | - | 13 | 13 |
| CURRENT ASSETS | | | |
| Cash - representing budget surplus on LA funds | 73 | - | 73 |
| NON-CURRENT LIABILITIES | | | |
| Pension scheme liability | (32) | - | (32) |
| NET ASSETS | 41 | 2,053 | 2,094 |

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35. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1 October 2023 Mary Dean's CofE Primary School and Nursery converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The First Federation Trust from Plymouth City Council for £nil consideration.

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

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

| | Restricted funds £000 | Restricted fixed asset funds £000 | Total funds £000 |
|------------------------------------------------|--------------------------------------|------------------------------------------------------|---------------------------------|
| TANGIBLE FIXED ASSETS | | | |
| Other tangible fixed assets | - | 50 | 50 |
| CURRENT ASSETS | | | |
| Cash - representing budget surplus on LA funds | 206 | - | 206 |
| NON-CURRENT LIABILITIES | | | |
| Pension scheme liability | (72) | - | (72) |
| NET ASSETS | <u>134</u> | <u>50</u> | <u>184</u> |