

**Company Registration Number: 10631500 (England & Wales)**

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

R Jessop  
H Leighton (appointed 3 October 2024)  
R Painter  
C Walton

**Trustees**

J Davies, Chair  
H Adams, Head Teacher and Accounting Officer<sup>1</sup>  
S Bennett  
H Bone (resigned 31 December 2023)<sup>1</sup>  
L Chalk<sup>1</sup>  
R Painter (appointed 18 December 2023)<sup>1</sup>  
J Thackstone<sup>1</sup>

<sup>1</sup> Finance, Audit, Risk and Resources Committee

**Company registered number**

10631500

**Company name**

Our Children 1st

**Principal and registered office**

Pallister Park Primary School  
Gribdale Road  
Middlesbrough  
TS3 8PW

**Senior leadership team**

H Adams, Head Teacher  
N Russell, Business Manager  
Y Ahmed, Assistant Head  
H Newbold, Assistant Head  
A Oliver, Assistant Head  
M Waterfield, Senior Teacher

**Independent auditors**

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

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

**Bankers**

Lloyds Bank plc  
83/85 Linthorpe Road  
Middlesbrough  
TS1 5BU

**Solicitors**

Muckle LLP  
32 Gallowgate  
Newcastle Upon Tyne  
NE1 4BT

**OUR CHILDREN 1ST**  
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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 auditor's report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates an academy for pupils aged 2 to 11 serving a catchment area in Middlesbrough. It has a PAN of 525 and has 539 children on roll in the school and 93 children in the nursery at the spring 24 census.

**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 Our Children 1st MAT are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Our Children 1st MAT, trading as Pallister Park Primary School.

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

**Members' Liability**

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

**Trustees Indemnities**

The academy trust has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy trust business.

**Method of Recruitment and Appointment or Election of Trustees**

The members appoint a minimum of 3 Trustees. The term of office for any Trustee shall be 4 years, this time limit shall not apply to the principal or any post help ex-officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academy / academies and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

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

**Structure, Governance and Management (continued)**

**Organisational structure**

During the year the academy trust continued to operate a unified management structure. The structure consists of these levels: The Members, the Trustees, the Strategic Leadership Team, the Senior Management Team supported by the Teaching Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members will oversee key objectives of the academy trusts performance including accounts and annual reports to Trustees. They will be responsible for appointing Trustees and complying with the articles of association.

The Trustees will set aims and objectives in accordance with charitable objects set out in the articles, ensuring articles are fit for purpose, monitor and evaluate performance against aims and objects, create a vision for the MAT, proper stewardship of funds and ensure the efficiency and effectiveness of use in accordance with the law and the Academies Financial Handbook.

The Strategic Leadership Team drives the vision of the trust within the school and is centered on teaching and learning and providing an excellent learning environment for its pupils. They are supported by Senior management and Teaching team.

**Arrangements for setting pay and remuneration of key management personnel**

The academy trust Board of Trustees aims to follow the nationally and locally agreed pay settlements. The Head Teacher is appraised by a panel consisting of Trustees supported by a suitably skilled and/or experienced external consultant who has been appointed by the Board of Trustees solely for that purpose. The task of appraising the Head Teacher, including the setting of objectives, will be delegated to a subgroup consisting of normally 3 Trustees. The external consultant is not responsible for returning a recommendation to the Academy Trust Board on whether an increment should be awarded to the Head Teacher following the review, this is a matter for the Trustees alone, however they should take account of any advice offered. The rest of the Senior Leadership Team and the TLRs are appraised by the Head Teacher with pay recommendations made to the Academy Trust Board.

**Related Parties and other Connected Charities and Organisations**

Related parties include the following;

H Adams – iTchyrobot UK Ltd

J Thackstone – Green Lane Academy, Legacy Learning Trust, Professional Lead in Schools Direct ITT

J Davies – Official at DfE

Details of transactions in the year are included in note 23.

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

**Objectives and Activities**

**Objects and aims**

The principal object and activity of the charitable company is the operation of Our Children 1st MAT to provide education for students of different abilities between the ages of 2 and 11 years.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the academy trust, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum.

The main objectives of the academy trust during the year ended 31 August 2024 are as summarised below:

- To increase % children achieving standard in reading at KS1
- To increase % children achieving standard in Maths at KS2
- To increase % children achieving standard in Writing at KS2 to meet National
- To reduce persistent absence

Our Children 1st MAT believe that every child should have the same opportunities and life chances, irrespective of the socio-economic background, gender or ethnicity. We create an inclusive, dynamic learning environment where every child, regardless of background, is empowered to discover their potential, pursue their passions and develop a lifelong love for learning. We 'Work hard, Play Hard' and our curriculum is designed to show our children how to live by this ethos.

**Objectives, strategies and activities**

This Trust Strategy was compiled by Trustees and Senior Leaders and reflects our strategic plans to;

- Improve outcomes and opportunities for all children
- Become a centre of excellence for inclusion, responsible to the changing landscape in SEND
- Being the employer of choice that invests in our people as a supportive team that encourages professional development
- Maintain a financially viable, sustainable and ethically driven organisation
- Being rooted in the communities our school serves and ensuring a strong voice for all our stakeholders

The trust is continually mindful of ensuring that they remain financially secure and able to mitigate changes in the future by planning reserves cautiously, as reflected in our policy. Trustees support this stance as it has proved prudent in light of the pandemic and the current reduction in birth rate and the trust will continue to plan with focus on any future instability that could affect the finance and effectiveness of the trust.

In pursuit of the above aims, the CEO, COO and SLT draw on its school improvement plans with progress against the plans being reviewed by trustees.

- To increase % children achieving standard in reading at KS1  
Team around the child ensures children are taught in smaller groups to support the development of reading. Secure phonic knowledge is also taught through Read Write Inc from EYFS and KS1. Additional reading opportunities are available to individuals through reading with additional staff to further embed skills and develop confidence.
- To increase % children achieving standard in Maths at KS2  
Children supported in smaller groups to provide opportunities to review and revise key concepts and any gaps in knowledge or understanding. Movement between groups is identified through pupil progress reviews to ensure teachers are aware of the next steps to teach. Teachers focus on active learning and real-world connections to provide opportunities for pupils to understand key concepts.

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

**Objectives and Activities (continued)**

- To increase % children achieving standard in Writing at KS2 to meet National  
Children have been taught in smaller groups to support their writing and enable discussion on how to improve workload. Staff have moderated writing within school and without her schools to ensure consistency and participated in moderation conducted by the Local Authority.
  
- To reduce persistent absence  
The academy trust continues to work with EWO to target specific families. Greater communication with families alerted them to attendance dips earlier in the year, along with recognition for improvements. Individualised support offered to families to ensure needs of the child were met. This will continue to be an area to improve in the next academic year.

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

**Public benefit**

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



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

**Strategic report**

**Achievements and Performance**

This year saw an increase in writing of 5% and in line with National outcomes. Maths outcomes did not equal the prediction of 70% which equates to 3 children not achieving the expected standard as predicted.

<b>Key Stage 2</b>		<b>Reading</b>	<b>Writing</b>	<b>Maths</b>
average progress scores in <b>reading, writing and maths</b>	<b>2024</b>	n/a	n/a	n/a
	<b>2023</b>	<b>1.3</b>	<b>-0.4</b>	<b>2.4</b>
	<b>2022</b>	<b>0.7</b>	<b>-1.3</b>	<b>3.1</b>
average 'scaled scores' in <b>reading and maths</b>	<b>2024</b>	<b>101</b>	<b>N/A</b>	<b>102</b>
	<b>2023</b>	<b>103</b>	<b>N/A</b>	<b>104</b>
	<b>2022</b>	<b>102</b>	<b>N/A</b>	<b>103</b>

<b>Key Stage 2</b>		<b>Reading</b>	<b>Writing</b>	<b>Maths</b>	<b>RWM Comb</b>
percentage of pupils who achieved the <b>expected standard</b> or above in <b>reading, writing and maths</b>	<b>2024</b>	<b>54%</b>	<b>71%</b>	<b>66%</b>	<b>47%</b>
	<b>2023</b>	<b>70%</b>	<b>66%</b>	<b>73%</b>	<b>54%</b>
	<b>2022</b>	<b>66%</b>	<b>50%</b>	<b>78%</b>	<b>50%</b>
percentage of pupils who achieved a <b>high level of attainment</b> in <b>reading, writing and maths</b>	<b>2024</b>	<b>19%</b>	<b>6%</b>	<b>19%</b>	<b>4%</b>
	<b>2023</b>	<b>19%</b>	<b>5%</b>	<b>19%</b>	<b>4%</b>
	<b>2022</b>	<b>20%</b>	<b>3%</b>	<b>15%</b>	<b>1%</b>

This year saw an improvement of 5% in reading, which was one of our main objectives for the year.

<b>Key Stage 1</b>		<b>Reading</b>	<b>Writing</b>	<b>Maths</b>
percentage of pupils who achieved the <b>expected standard</b>	<b>2024</b>	<b>60%</b>	<b>51%</b>	<b>67%</b>
	<b>2023</b>	<b>65%</b>	<b>66%</b>	<b>70%</b>
	<b>2022</b>	<b>65%</b>	<b>60%</b>	<b>69%</b>
percentage of pupils who achieved <b>greater depth</b>	<b>2024</b>	<b>10%</b>	<b>5%</b>	<b>6%</b>
	<b>2023</b>	<b>5%</b>	<b>2%</b>	<b>5%</b>
	<b>2022</b>	<b>3%</b>	<b>3%</b>	<b>0%</b>

<b>Phonics Screening Check</b>		<b>Y1</b>
percentage of pupils who achieved the <b>expected standard (32/40)</b>	<b>2024</b>	<b>81%</b>
	<b>2023</b>	<b>86%</b>
	<b>2022</b>	<b>81%</b>

<b>Early Years Foundation Stage</b>		<b>Good Level of Development (GLD)</b>
percentage of pupils who achieved the good level of development (GLD)	<b>2024</b>	<b>52%</b>
	<b>2023</b>	<b>64%</b>
	<b>2022</b>	<b>59%</b>

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

**Strategic report (continued)**

**Achievements and Performance (continued)**

**Key Performance Indicators**

Current Ratio: 3.04 (Current Assets / Current Liabilities) This indicates strong short-term liquidity, as the Trust can comfortably cover its short-term obligations.

Fixed Asset to Total Asset Ratio: 84.4% This high percentage suggests significant investment in long-term assets, which is common for educational institutions.

Operational Surplus to Revenue Ratio: 3.1% This ratio shows that before depreciation, the Trust had a positive operational performance.

- Ofsted rating – GOOD July 2024

This year saw an increase in writing of 5% and in line with National outcomes. Maths outcomes did not equal the prediction of 70% which equates to 3 children not achieving the expected standard as predicted.

As at 31st August 2024

	2024	2023
Total Income per pupil (£)	6,791	6,933
Total GAG income per pupil (£)	4,753	4,774
Staff costs per pupil (£)	4,816	4,960
Total costs per pupil (£)	6,560	6,837
Staff costs as a % of total costs	73%	73%
Staff costs as a % of total income	71%	72%

Pupil Numbers - 632 on roll at Spring Term 2024

**Going concern**

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

**Financial review**

Most of the academy trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to purposes. The grants received from the DfE/ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition, the Academy receives additional income, largely related to deprivation factors.

During the year ended 31 August 2024, total expenditure of £4,470,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension reserve movements, transfers and restricted fixed asset funds) was £119,000.

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

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

**Strategic report (continued)**

At 31 August 2024 net book value of fixed assets was £4,788,000 and movements in tangible fixed assets are shown in note 12 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in no surplus or deficit being recognised on the Balance Sheet.

The academy trust held fund balances as at 31 August 2024 of £5,379,000 comprising £415,000 of restricted general funds, £4,846,000 of restricted fixed asset funds, and £118,000 of unrestricted funds.

As of the 31 August 2024, current assets total £882,000 of which £680,000 is cash in hand, £160,000 is prepayments and accrued income, £9,000 of trade debtors and £33,000 is VAT.

Current liabilities are £291,000 of which £121,000 are related to trade creditors, £46,000 relates to payroll deductions, £46,000 of other creditors and £103,000 relates to accruals and deferred income. The credit card balance has been cleared prior to the year end.

Our net current asset value is £591,000.

**Reserves Policy**

The academy trust holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- To provide funds which can be designated to specific areas of the curriculum
- To cover ongoing costs in relation to the running of the academy trust including catering provisions, school trips and additional costs

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy trust is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it is prudent to hold reserves in the general fund in the form of restricted general funds (excluding pension reserves) and unrestricted funds of £500,000.

This is considered sufficient to cover working capital to cover delays between spending and receipt of grants and provide a cushion to deal with unexpected emergencies i.e., responsive maintenance, Payroll costs, Energy.

As at 31 August 2024 the academy trust holds available reserves of £533,000 comprising of restricted general funds (excluding pension reserves) of £415,000 and unrestricted funds of £118,000. The Trustees continue to consider additional activities related to the academy trust's objectives to which the excess reserves may be applied including:

- a) Further capital improvements to the premises and teaching facilities
- b) Further capital investment in ICT to ensure to ensure that the academy remains up to date with technological advancements
- c) Protection against the sharp increase in inflation
- d) Protection against the consequence of the decrease of the pupil numbers of fall in birth rate
- e) Protection against the uncertainty over future pension contribution rates;
- f) Protection against the current rise and uncertainty of energy cost forecast
- g) Rises in teacher salary costs

**Investment Policy**

The trust does not invest surplus funds.

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

**Principal Risks and Uncertainties**

The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the academy trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy trust Balance Sheet.

The Trustees have assessed the major risks to which the academy trust is exposed, those relating specifically to teaching provision of facilities and other operational areas of the academy trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g., in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls, and this is explained in more detail in the Governance Statement.

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

The academy trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

Through the risk management processes established for the School, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**Fundraising**

The academy trust does not use any external fundraisers.

**Plans for future periods**

Aim and objectives for 2024-25

1. To reduce persistent absence
2. To increase % of children achieving standard in reading at KS2
3. To increase % children achieving standard in Maths at KS2
4. To increase % of children achieving standard in writing at KS1

We will continue to support our children with a 'team around the child' to support individual needs and ensure they reach their potential. Trustees will continue to lead the future direction of the academy trust looking at past experience to influence future plans and decisions to ensure best value in allocating resources.

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

**Funds Held as Custodian Trustee on Behalf of Others**

The Trust is not acting as custodian.

**Auditor**

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on and signed on the board's behalf by:

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2024 and signed on its behalf by:

**J Davies**  
Chair

**OUR CHILDREN 1ST**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Our Children 1st MAT has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher/CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Our Children 1st MAT 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 3 times during the year.

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

Trustee	Meeting attended	Out of possible
J Davies, Chair	3	3
H Adams (Principal and Accounting Officer)	3	3
S Bennett	2	3
H Bone (resigned 31 December 2023)	1	2
L Chalk	2	3
R Painter (appointed 18 December 2023)	3	3
J Thackstone	3	3

The Board's effectiveness stems from its rigorous scrutiny of high-quality data provided by the academy. Trustees diligently examine this information, using it to challenge the leadership team constructively and drive continuous improvement. Regular visits to the academy allow trustees to monitor progress firsthand, ensuring that strategic objectives are being met and that the school's vision is being realised in practice. This hands-on approach, combined with data-driven decision-making, enables the Board to provide robust governance and support the academy's ongoing development.

**Conflicts of interest**

The academy trust has in place processes to manage conflicts of interest and maintains a register of interests which is reviewed regularly.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Governance Review**

A review of the experience and expertise that the Board holds has been carried out to ensure they have the capacity to provide effective challenge to the Leadership Team and uphold rigorous compliance standards. The Trust revisits this review when discussing membership matters and remains committed to actively recruiting new Trustees with complementary skills to further enrich the Trust's governance capabilities which is outlined in our action plan.

The finance, audit, risk and resources committee is a sub-committee of the main Board of Trustees. Its purpose is to have oversight of Audit and Risk Management, and financial strategy and performance.

Trustee	Meetings attended	Out of a possible
H Adams	2	3
H Bone (resigned 31 December 2023)	1	1
L Chalk	2	3
R Painter (appointed 18 December 2023)	3	3
J Thackstone	3	3

The curriculum, standards and welfare committee is also a sub-committee of the main Board of Trustees. Its purpose is to: monitor academic performance and the curriculum, ensure student wellbeing and ensure high standards across these areas of school life.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
H Adams	3	3
L Chalk	3	3
J Davies	2	3
R Painter	3	3
J Thackstone	3	3

**Review of Value for Money**

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

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

- Commissioning data analyst services to interpret data for SLT to be able to act on findings.
- Reducing staff workload by streamlining processes and the use of IT and AI
- Investing in premises upgrades to reduce maintenance costs and enhance energy efficiency
- Use of strategic purchasing to ensure additional value in bulk ordering
- Deploying a review and revise strategy to ensure finances are utilised efficiently
- Strategic staff deployment; such as implementation of split year group classes to mitigate falling birth rates

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**GOVERNANCE STATEMENT (CONTINUED)**

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Our Children 1st MAT 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 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 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 Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from SBM Services .

The internal auditor's role includes giving advice on financial 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:

**Financial Compliance checks**

- testing of Financial Governance
- testing of Balance Sheet Management
- testing of Control accounts, banking and cash reconciliations

**Non-Financial Compliance checks :**

- Data Protection
- Asbestos Management
- Website Compliance
- Fire Safety
- RAAC
- Health and Safety



**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The Risk and Control Framework (continued)**

On a routine basis, the internal auditor reports to the Board of Trustees, through the finance, audit, risk and resources committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned.

**Review of effectiveness**

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

- the work of the internal assurance
- 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 external auditor

**Conclusion**

Based on the advice of the finance, audit, risk and resources 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 on 5 December 2024 and signed on their behalf by:

**J Davies**  
Chair

**H Adams**  
Accounting Officer

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Our Children 1st 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.

**H Adams**  
Accounting Officer  
Date: 5 December 2024

**OUR CHILDREN 1ST**  
**(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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

**J Davies**

Chair

Date: 5 December 2024

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR CHILDREN 1ST**

**Opinion**

We have audited the financial statements of Our Children 1st (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.

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR CHILDREN 1ST (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of Governors**

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

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

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR CHILDREN 1ST (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. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. 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. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR CHILDREN 1ST (CONTINUED)**

**Use of our report**

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

**Kevin Shotton BA BFP FCA (Senior Statutory Auditor)**

for and on behalf of

**Clive Owen LLP**

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Date:

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR CHILDREN 1ST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 September 2022 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 Our Children 1st 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 Our Children 1st and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Our Children 1st 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 Our Children 1st and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Our Children 1st's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Our Children 1st's funding agreement with the Secretary of State for Education dated 23 March 2017 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.



**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR CHILDREN 1ST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OUR  
CHILDREN 1ST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Reporting Accountant  
**Clive Owen LLP**

140 Coniscliffe Road  
Darlington  
County Durham  
DL3 7RT

Date:

**OUR CHILDREN 1ST**  
(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
<b>Income from:</b>						
Donations and capital grants	3	-	22	11	33	41
Investments	5,7	-	25	-	25	-
Charitable activities		39	4,228	-	4,267	4,140
<b>Total income</b>		<u>39</u>	<u>4,275</u>	<u>11</u>	<u>4,325</u>	<u>4,181</u>
<b>Expenditure on:</b>						
Charitable activities		11	4,135	324	4,470	4,451
<b>Total expenditure</b>		<u>11</u>	<u>4,135</u>	<u>324</u>	<u>4,470</u>	<u>4,451</u>
<b>Net (expenditure)/ income</b>		28	140	(313)	(145)	(270)
Transfers between funds	15	-	(186)	186	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>28</u>	<u>(46)</u>	<u>(127)</u>	<u>(145)</u>	<u>(270)</u>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	165	-	165	669
Asset Ceiling Restriction		-	(214)	-	(214)	(474)
<b>Net movement in funds</b>		<u>28</u>	<u>(95)</u>	<u>(127)</u>	<u>(194)</u>	<u>(75)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		90	510	4,973	5,573	5,648
Net movement in funds		28	(95)	(127)	(194)	(75)
<b>Total funds carried forward</b>		<u>118</u>	<u>415</u>	<u>4,846</u>	<u>5,379</u>	<u>5,573</u>

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 10631500**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note		2024 £000		2023 £000
<b>Fixed assets</b>					
Tangible assets	12		4,788		4,927
			4,788		4,927
<b>Current assets</b>					
Debtors	13	202		204	
Cash at bank and in hand		680		799	
		882		1,003	
Creditors: amounts falling due within one year	14	(291)		(357)	
<b>Net current assets</b>			591		646
<b>Total assets less current liabilities</b>			5,379		5,573
<b>Net assets excluding pension asset</b>			5,379		5,573
<b>Total net assets</b>			5,379		5,573
<b>Funds of the academy trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	15	4,846		4,973	
Restricted income funds	15	415		510	
<b>Total restricted funds</b>	15		5,261		5,483
<b>Unrestricted income funds</b>	15		118		90
<b>Total funds</b>			5,379		5,573

The financial statements on pages 25 to 51 were approved by the Trustees, and authorised for issue on 05 December 2024 and are signed on their behalf, by:

**J Davies**  
Chair

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

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

	Note	2024 £000	2023 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	17	57	362
<b>Cash flows from investing activities</b>	18	(176)	(158)
<b>Change in cash and cash equivalents in the year</b>		(119)	204
Cash and cash equivalents at the beginning of the year		799	595
<b>Cash and cash equivalents at the end of the year</b>	19, 20	680	799

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy 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 2011 and the Companies Act 2006.

Our Children 1st meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**1.3 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.

• **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.

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **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.

**1.4 Expenditure**

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

- **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.

**1.5 Tangible fixed assets**

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on a straight-line basis:

Long-term leasehold property	- over 25 years
Long-term leasehold land	- over 125 years
Furniture and equipment	- over 5 years
Computer equipment	- over 3 years

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

**OUR CHILDREN 1ST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.6 Operating leases**

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

**1.7 Debtors**

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

**1.8 Cash at bank and in hand**

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

**1.9 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.10 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 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.11 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.



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**1. Accounting policies (continued)**

**1.12 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.

**1.13 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

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**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The academy 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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.

Goodwin

The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £2,962 which has been assessed to be immaterial to the financial statements.

The original Local Government Pension scheme valuation showed an asset of £688,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of future service cost £147,000 exceed the employer future service costs £117,000 combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £NIL.

Depreciation — Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £324,000.

Critical areas of judgment:

Land - Land is held under a 125 year lease from Middlesbrough Borough Council. These assets are included on the balance sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy trust could use them without major modification.

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**3. Income from donations and capital grants**

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Donations	-	22	-	22	9
Capital Grants	-	-	11	11	32
	<u>-</u>	<u>22</u>	<u>11</u>	<u>33</u>	<u>41</u>
Total 2023	<u>9</u>	<u>-</u>	<u>32</u>	<u>41</u>	

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**4. Funding for the academy trust's educational operations**

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
<b>Academy's educational operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	3,004	3,004	2,855
Other DfE/ESFA grants				
Pupil Premium	-	524	524	495
PE and Sport Premium	-	21	21	21
UIFSM	-	37	37	36
Rates	-	9	9	7
Teachers' pay grant	-	55	55	2
Teachers' pension grant	-	27	27	6
Other DfE/ESFA	-	-	-	27
Mainstream Schools Additional Grant	-	104	104	43
Supplementary Grant	-	-	-	88
	-	3,781	3,781	3,580
<b>Other Government grants</b>				
SEN	-	32	32	50
Early Years Funding	-	311	311	337
Local Authority grants	-	26	26	21
	-	369	369	408
<b>Other income from the academy trust's educational operations</b>				
	39	14	53	51
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Other DfE/ESFA COVID-19 funding	-	64	64	101
	-	64	64	101
	39	4,228	4,267	4,140
	39	4,228	4,267	4,140
Total 2023	51	4,089	4,140	

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. Investment income**

	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Pension income	25	25	-
	25	25	-

**6. Expenditure**

	Staff Costs 2024 £000	Premises 2024 £000	Other 2024 £000	Total 2024 £000	Total 2023 £000
Academy's educational operations:					
Direct costs	2,630	-	236	2,866	2,969
Allocated support costs	414	590	600	1,604	1,482
	3,044	590	836	4,470	4,451
Total 2023	3,015	328	1,108	4,451	

In 2024 of the total expenditure £11,000 (2023 - £172,000) was to unrestricted funds, £4,135,000 (2023 - £3,973,000) was to restricted funds, and £324,000 (2023 - £306,000) was to restricted fixed assets.

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

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

The total transactions exceeding £5,000 were:

Unrecoverable debts - £nil (2023 : £6,625)

There were no ex-gratia payments in the year.

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**7. Analysis of expenditure by activities**

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Academy's educational operations	2,866	1,604	4,470	4,451
Total 2023	2,969	1,482	4,451	

**Analysis of direct costs**

	Total funds 2024 £000	Total funds 2023 £000
Staff costs	2,630	2,675
Educational supplies	219	243
Technology costs	13	19
Other costs	4	32
	2,866	2,969

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Total funds 2024 £000	Total funds 2023 £000
Net interest on pension scheme	-	7
Staff costs	414	340
Depreciation	324	306
Technology costs	103	62
Maintenance of premises	67	81
Cleaning	119	112
Other premises costs	31	22
Energy	69	86
Rent and rates	13	8
Insurance	24	23
Operating lease rentals	6	6
Catering	255	223
Other costs	162	187
Governance costs	17	19
	1,604	1,482

**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2024 £000	2023 £000
Operating lease rentals	6	6
Depreciation of tangible fixed assets	324	306
Fees paid to auditors for:		
- audit	10	9
- other services	7	7
	347	328

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**9. Staff**

**a. Staff costs and employee benefits**

Staff costs during the year were as follows:

	2024 £000	2023 £000
Wages and salaries	2,276	2,247
Social security costs	217	209
Pension costs	495	539
	<hr/>	<hr/>
	2,988	2,995
Agency staff costs	56	20
	<hr/>	<hr/>
	<u>3,044</u>	<u>3,015</u>

Included in pension costs is a credit of £24,000 (2023: debit of £50,000) relating to pension deficit actuarial adjustment.

**b. Staff numbers**

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

	2024 No.	2023 No.
Teaching	30	36
Educational Support	49	69
Admin & Management	6	6
	<hr/>	<hr/>
	<u>85</u>	<u>111</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Staff (continued)**

**c. 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	3	3
In the band £70,001 - £80,000	1	1
	1	1

**d. Key management personnel**

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £545,000 (2023 £483,000).

**10. Trustees' remuneration and expenses**

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

		2024	2023
		£000	£000
H Adams	Remuneration	80 - 85	70 - 75
	Pension contributions paid	20 - 25	15 - 20

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

**11. 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 trust business. The insurance provides cover up to £5,000,000 on any one claim and it is not possible to quantify the Trustees and officers indemnity element from the overall insurance scheme for the year ended 31 August 2024.

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**12. Tangible fixed assets**

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
<b>Cost or valuation</b>				
At 1 September 2023	6,014	178	246	6,438
Additions	6	124	57	187
Disposals	-	(2)	-	(2)
At 31 August 2024	<u>6,020</u>	<u>300</u>	<u>303</u>	<u>6,623</u>
<b>Depreciation</b>				
At 1 September 2023	1,312	36	163	1,511
Charge for the year	219	48	57	324
At 31 August 2024	<u>1,531</u>	<u>84</u>	<u>220</u>	<u>1,835</u>
<b>Net book value</b>				
At 31 August 2024	<u><u>4,489</u></u>	<u><u>216</u></u>	<u><u>83</u></u>	<u><u>4,788</u></u>
At 31 August 2023	<u><u>4,702</u></u>	<u><u>142</u></u>	<u><u>83</u></u>	<u><u>4,927</u></u>

**13. Debtors**

	2024 £000	2023 £000
Trade debtors	9	2
Prepayments and accrued income	160	145
VAT Debtor	33	57
	<u>202</u>	<u>204</u>

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**14. Creditors: Amounts falling due within one year**

	2024 £000	2023 £000
Trade creditors	121	158
Other taxation and social security	46	48
Other creditors	21	14
Accruals and deferred income	103	137
	291	357
	291	357
	2024 £000	2023 £000
Deferred income at 1 September 2023	27	21
Resources deferred during the year	21	27
Amounts released from previous periods	(27)	(21)
	21	27
	21	27

At the balance sheet date the academy trust was holding funds of received in advance for UIFSM.

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**15. 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
<b>Unrestricted funds</b>						
General Funds - all funds	90	39	(11)	-	-	118
<b>Restricted general funds</b>						
General Annual Grant (GAG)	510	3,004	(2,913)	(186)	-	415
Pupil Premium	-	524	(524)	-	-	-
Other DfE/ESFA Grants	-	149	(149)	-	-	-
SEN	-	32	(32)	-	-	-
Mainstream Schools Additional Grant	-	104	(104)	-	-	-
Other Government grants	-	337	(337)	-	-	-
Other DfE/ESFA Covid-19 funding	-	64	(64)	-	-	-
Donations	-	22	(22)	-	-	-
Other Income	-	14	(14)	-	-	-
Pension reserve	-	25	24	-	(49)	-
	510	4,275	(4,135)	(186)	(49)	415
<b>Restricted fixed asset funds</b>						
Legacy assets	4,212	-	(198)	-	-	4,014
Devolved Formula Capital grants	92	11	(6)	-	-	97
Capital expenditure from GAG	641	-	(92)	186	-	735
Donations	28	-	(28)	-	-	-
	4,973	11	(324)	186	-	4,846

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**15. 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
<b>Total Restricted funds</b>	5,483	4,286	(4,459)	-	(49)	5,261
<b>Total funds</b>	5,573	4,325	(4,470)	-	(49)	5,379

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

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

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

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

The Mainstream Schools Additional Grant is additional funding to be used for the same purposes as the GAG.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

SEN funding is used to provide additional support for pupils with additional needs.

Other Government grants include Early Years funding for three and four year old children and other income from the local authority.

Other income represents non government grant funding received.

Restricted donations relate to monies received in relation to a specific cause.

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

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

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

A transfer of £186,000 has been made to capital expenditure from GAG to reflect those items included within fixed assets which have been purchased using GAG monies.

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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**15. 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
<b>Unrestricted funds</b>						
General Funds	202	60	(172)	-	-	90
<b>Restricted general funds</b>						
General Annual Grant (GAG)	528	2,855	(2,682)	(191)	-	510
Pupil Premium	-	495	(495)	-	-	-
Other DfE/ESFA Grants	-	163	(163)	-	-	-
SEN	-	50	(50)	-	-	-
Mainstream Schools Additional Grant	-	43	(43)	-	-	-
Supplementary Grant	-	88	(88)	-	-	-
Other Government grants	-	358	(358)	-	-	-
Other DfE/ESFA Covid-19 funding	-	37	(37)	-	-	-
Pension reserve	(138)	-	(57)	-	195	-
	<u>390</u>	<u>4,089</u>	<u>(3,973)</u>	<u>(191)</u>	<u>195</u>	<u>510</u>
<b>Restricted fixed asset funds</b>						
Legacy assets	4,409	-	(197)	-	-	4,212
Devolved Formula Capital grants	66	32	(6)	-	-	92
Capital expenditure from GAG	553	-	(103)	191	-	641
Donations	28	-	-	-	-	28
	<u>5,056</u>	<u>32</u>	<u>(306)</u>	<u>191</u>	<u>-</u>	<u>4,973</u>

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**15. 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
<b>Total Restricted funds</b>	5,446	4,121	(4,279)	-	195	5,483
<b>Total funds</b>	5,648	4,181	(4,451)	-	195	5,573

**16. 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	-	-	4,788	4,788
Current assets	118	706	58	882
Creditors due within one year	-	(291)	-	(291)
<b>Total</b>	118	415	4,846	5,379

**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	-	-	4,927	4,927
Current assets	102	901	-	1,003
Creditors due within one year	(12)	(391)	46	(357)
<b>Total</b>	90	510	4,973	5,573

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**17. Reconciliation of net expenditure to net cash flow from operating activities**

	2024 £000	2023 £000
Net expenditure for the period (as per Statement of Financial Activities)	(145)	(270)
<b>Adjustments for:</b>		
Depreciation	324	306
Capital grants from DfE and other capital income	(11)	(32)
Defined benefit pension scheme cost less contributions payable	(24)	50
Defined benefit pension scheme finance cost/(income)	(25)	7
Decrease in debtors	2	158
(Decrease)/increase in creditors	(64)	143
<b>Net cash provided by operating activities</b>	<u>57</u>	<u>362</u>

**18. Cash flows from investing activities**

	2024 £000	2023 £000
Purchase of tangible fixed assets	(187)	(190)
Capital grants from DfE Group	11	32
<b>Net cash used in investing activities</b>	<u>(176)</u>	<u>(158)</u>

**19. Analysis of cash and cash equivalents**

	2024 £000	2023 £000
Cash in hand and at bank	680	799
<b>Total cash and cash equivalents</b>	<u>680</u>	<u>799</u>



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**20. Analysis of changes in net debt**

	At 1 September 2023 £000	Cash flows £000	At 31 August 2024 £000
Cash at bank and in hand	799	(119)	680
	799	(119)	680
	799	(119)	680

**21. 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 Middlesbrough Borough 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 £16,000 were payable to the schemes at 31 August 2024 (2023 - £14,000) and are included within creditors.

**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.

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**21. Pension commitments (continued)**

**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% (Not 23.68%) of pensionable pay (including a 0.08% administration levy) This is an increase of 5% in employer contributions and the cost control.
- 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 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 £372,000 (2023 - £351,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust 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.

**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 £196,000 (2023 - £183,000), of which employer's contributions totalled £147,000 (2023 - £138,000) and employees' contributions totalled £49,000 (2023 - £45,000). The agreed contribution rates for future years are 17.5 % for employers and 5.5 to 12.5 % for employees.

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

The original Local Government Pension scheme valuation showed an asset of £688,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the trustees commissioned a valuation of the potential benefits to the trust — an asset ceiling valuation. Based on minimum funding requirements for contributions relating to future service this showed a potential asset of £Nil. Given this value combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the trustees have decided to include the pension asset at £Nil.

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

**21. Pension commitments (continued)**

**Principal actuarial assumptions**

	2024 %	2023 %
Rate of increase in salaries	3.65	3.95
Rate of increase for pensions in payment/inflation	2.65	2.95
Discount rate for scheme liabilities	5.00	5.20
Inflation assumption (CPI)	2.65	2.95
Commutation of pensions to lump sums	80.00	80.00

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

	2024 Years	2023 Years
Retiring today		
Males	20.4	20.5
Females	23.4	23.5
Retiring in 20 years		
Males	21.2	21.3
Females	24.9	25.0

**Sensitivity analysis**

	2024 £000	2023 £000
Discount rate +0.1%	(68)	(62)
Discount rate -0.1%	68	62
Mortality assumption - 1 year increase	(100)	(89)
Mortality assumption - 1 year decrease	100	89
CPI rate +0.1%	68	53
CPI rate -0.1%	(68)	(53)

**Share of scheme assets**

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

	At 31 August 2024 £000	At 31 August 2023 £000
Equities	2,255	1,975
Property	826	622
Cash	95	109
<b>Total market value of assets</b>	<b>3,176</b>	<b>2,706</b>

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**21. Pension commitments (continued)**

The actual return on scheme assets was £305,000 (2023 - £68,000).

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

	2024 £000	2023 £000
Current service cost	(123)	(188)
Interest income	145	109
Interest cost	(120)	(116)
<b>Total amount recognised in the Statement of Financial Activities</b>	<u>(98)</u>	<u>(195)</u>

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

	2024 £000	2023 £000
<b>Opening defined benefit obligation</b>	2,706	2,634
Current service cost	123	188
Interest cost	120	116
Employee contributions	49	45
Actuarial gains	(5)	(723)
Benefits paid	(31)	(28)
Asset Ceiling Restriction	214	474
<b>At 31 August 2024</b>	<u>3,176</u>	<u>2,706</u>

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

	2024 £000	2023 £000
<b>Opening fair value of scheme assets</b>	2,706	2,496
Interest income	145	109
Actuarial gains/(losses)	160	(54)
Employer contributions	147	138
Employee contributions	49	45
Benefits paid	(31)	(28)
<b>At 31 August 2024</b>	<u>3,176</u>	<u>2,706</u>

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**22. 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 £000	2023 £000
Within 1 year	6	6
Later than 1 year and not later than 5 years	3	9
	<u>9</u>	<u>15</u>

**23. Related party transactions**

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

Expenditure Related Party Transaction

H Adams' husband was a director of Itchyrobot UK Limited during the period, the academy trust purchased goods totalling £200 (2023: £14,000). There was £nil outstanding at 31 August 2024 (2023: £nil).

Income Related Party Transaction

J Thackstone, a Trustee, is an employee at Green Lane Primary Academy, during the year salaries were recharged and paid of £38,000 (2023: £nil). There was also a reimbursement of services of £1,000 (2023:£nil). There was £nil outstanding at 31 August 2024 (2023: £nil).

The above transactions were made at arms length and comply with the regulations set out in the Academy Trust Handbook 2023.