



**Teach First**

A young girl with blonde hair in pigtails is smiling and looking upwards. She is wearing a light blue collared shirt under a dark blue cable-knit cardigan. The background is black.

# **Teach First's Annual Report and Accounts 2020/21**

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# A welcome from our Chair, Dame Vivian Hunt

As Teach First approaches its 20<sup>th</sup> anniversary, our fight to make our education system work for every child is more urgent than ever.

The pandemic wreaked havoc on much of the progress made in the last decade or so. Indeed, data from the Department for Education has confirmed that, despite 'signs of recovery', pupils eligible for free school meals continue to be the hardest hit in terms of lost learning. There are also significant regional variations in the rate of recovery, with many disadvantaged communities lagging even further behind in reading and maths.

And what does 'recovery' mean? The academic progress of pupils is not the only thing that's been impacted by two years of disruption to schooling.

The emotional, social and economic fallout of this global health crisis reaches beyond the capacity of statistics to fully capture. We are proud that, in the middle of the emergency, we distributed thousands of devices to young people and recruited 1,122 academic mentors, but our work needs to stay focused on long-term impact. And this means putting the schools who serve the most disadvantaged communities at the heart of our work.

We want teachers in these schools to thrive. We want them to develop into inspiring leaders within dynamic and supportive teams. We want to connect them to our networks of diverse expertise – some of which have had almost two decades to flourish – so disadvantaged communities can access new opportunities and insights. All of this will help schools work together to get the best for their pupils, the best for their staff, and the best outcomes for our country.

The government's emphasis on 'levelling up' is welcomed, but at Teach First we know that levelling up happens when the schools facing the biggest challenges become places where everyone – students and the people who work there – can thrive. When schools thrive, so do the communities they serve.

To do all of this we need champions. And our corporate partners have stepped up magnificently in the last 12 months, helping us surpass our voluntary income target of £7.7m and providing those devices we mentioned earlier. We've got big plans for how we will build on this generosity over the coming year. We want to increase the number of schools benefiting from multiple programmes and networks, launch a single, shared platform for all customer interactions and data, and make our mark in terms of increasing diversity in the education system.

I would like to thank Jason Arthur, Lorna Gratton, Julianne Ilebode-Akisanya, Tulsi Naidu and Dame Alison Peacock, who have stepped down from our Trustee Board, for their service. In their tenure, they brought insights from schools, business and social enterprise. We welcome Sarah Bibi and Tom Harbour to our Board, who combine frontline school experience with insight from related endeavours to make education work for every child.

No one gets a second chance at childhood. Let's continue our fight to make sure everyone gets a first.

**Dame Vivian Hunt DBE**

# Chief Executive Officer's Introduction

A generation of young people have had their education and their childhoods disrupted by Covid. It has blocked their learning, narrowed their options, limited their friendships and distanced them from support. It has, of course, hit hardest those already disadvantaged. So many schools have done a stunning job to adapt and support them. Pivoting the entire nation to online schooling at the drop of a hat, was an achievement even Silicon Valley should hold in awe! We have never had more reason to be grateful for the quality of leadership in our schools. We dedicate the years ahead to supporting them in their work to give every child a fighting chance.

Despite the disruption, it was a busy year for us, and we made progress against our strategy. Even in the face of a turbulent employment market, we placed one of our largest cohorts, with our highest ever number of STEM trainees. Trainees reported wellbeing, satisfaction and retention in similar numbers to previous years. This is a testament to their resilience and to the dedication of our delivery teams and the ingenuity of our technology and development teams. We also expanded our work along the career path, with over 2,500 early career teachers and enhancements to our National Professional Qualifications (NPQs). Both our Careers Leader and Leading Together programmes get high levels of satisfaction. We doubled the number of our networks to 90 and received our first evidence of impact on pupils and teacher retention.

We secured our contract with the government to deliver our flagship training programme for 2022 and beyond and we became a QTS provider. We delivered year one of the Academic Mentoring Programme, where we smashed targets to recruit and train over 1,100 mentors who in turn reached over 100,000 students. We are proud of this contribution to tackling Covid disruption.

We have continued our work on EDI, improving the diversity of our cohorts and the quality of support across all our programmes. We are delighted that our Missing Pages campaign on representation in English Literature reached 18 million readers. We are inspired and determined to do more in the years to come. Among other plans, we have set a goal that half of our training cohort will come from the communities we serve.

Looking ahead to 2021/22, our goal is to maximise the number of trainee teachers we place into schools serving disadvantaged communities. While we are planning for our largest cohort, this will be challenging given the unsettled graduate employment market. This is also the year when our ambition to offer multiple programmes across the full career path comes to fruition. We will increase numbers on the Early Career Framework five-fold and numbers on the NPQs ten-fold. We will work with around 15,000 teachers and leaders – a scope that can make a genuine impact on educational disadvantage. We will also continue to expand and deepen the networks within our community. And we are excited to plan ahead for our twentieth anniversary in the following year.

To meet this scale, we will also deliver the first release of a technology and business transformation project in February 2022. The aim is to deploy technology to ensure we spend more time doing the things we love and which the country needs us to do – working with teachers and leaders who face the greatest challenges.

We want every young person to get the chances and choices they deserve. Too many are still held back from their potential. We also believe that schools can be the agents of this change. Our vision is simple: we want children from our most disadvantaged communities to go to the best schools. Some of them already do. We can help more schools achieve this state through four contributions: great teachers, strong leadership, powerful networks and a credible voice in policy. It is vital that these networks go beyond schools, to build on the talents of our community in business, government, charities and beyond. For, although schools can be the agents of change, we cannot leave it to schools alone to solve all the problems of our society. If we bring all this to bear in the years ahead, we can do our bit to create a fairer country.

**Russell Hobby CBE**

# Trustees' Report For The Year

# Our purpose

We think of our strategy in terms of the 'why', the 'what' and the 'how': the reason we exist, the change we want to see and the methods we choose to achieve that change.

Our 'why', our purpose, remains unchanged. No child's success in education should be limited by their background. Too many children from disadvantaged backgrounds are being failed by the system. They don't start with the same chances and that inequality continues throughout childhood. We look to the day when every young person gets the choices and chances they deserve at the start of their life. The disruption caused by the Covid pandemic has thrown this mission into stark relief.

Children from disadvantaged backgrounds start school behind their more advantaged peers, and the gap in performance widens as they progress through the education system. Our analysis shows that, on average, disadvantaged pupils are 4.5 months behind in the early years phase, 7 months behind in primary school and 18 months behind at Key Stage 4 - with persistently disadvantaged pupils 22.7 months behind at Key Stage 4.

This year our research showed that just 45% of disadvantaged pupils achieved a standard pass in GCSE English and maths compared with 72% of non-disadvantaged pupils. A stark gap in attainment, which is widening as a result of the COVID pandemic.

Our 'what' has evolved over the years we have worked as a charity. We increasingly see the school as the agent of change. It is not the be-all-and-end-all, indeed that would be a dangerous position to take, but it can be a powerful force for good in young lives. We know that when young people from disadvantaged backgrounds get to go to a great school, they achieve great things. So, our aim is simple, let's help more schools, in the most challenging areas, progress on this journey that we know they all want to make. Put it another way: the children who need it most, should get to go to the best schools in the country.

This is a credible goal because some of these schools already are the best schools in the country. Focusing on supporting schools will give us an enduring impact, because the institutions will persist long after our interventions. An effective, outward-facing local school can also take and adapt national interventions to fit the needs of the local community.

Our focus on addressing disadvantage means that we work in schools and communities where either; a high proportion of children are eligible to receive means-tested free school meals; a high number of children have English as a second language; or Ofsted has rated the school as requiring improvement in an Opportunity Area.

And what do these schools want from us? Teachers, leaders, networks and a voice in policy. This is our 'how'. And in this report, you will see the progress we have made in strengthening and scaling up each of these contributions.

## 1. GREAT TEACHERS

We recruit, train and support trainee teachers on our Training Programme to become inspiring teachers and leaders. The unique nature of our Training Programme enables us to attract many people who were not considering teaching as a career and to place them in schools who otherwise might struggle to find the right talent. As well as working with university students and graduates, an increasing number of our trainees are becoming teachers having started their career elsewhere.

Our trainees are tackling disadvantage head-on. And we'll continue to recruit quality teachers for the schools that need them most. But, if we're to beat the teacher recruitment challenge, we must find new ways of attracting even more people to the best job in the world. We are continually striving to remove the barriers that prevent inspirational teachers from choosing a career in the classroom.

In the last year we have become a lead provider of the Early Career Framework, enabling us to extend our support for people on their journey to becoming the best teachers they can be through two years of Continuous Professional Development.

## **2. STRONG LEADERSHIP**

We offer training for teachers working in schools in low-income communities to progress to all levels of school leadership. We offer training for individuals as well as for school leadership teams. All our training is designed specifically to meet the needs of disadvantaged pupils. We also gather research to ensure our leadership programmes create stronger school environments, offer exciting career opportunities and help teachers stay in the profession.

We are accredited to deliver the new National Professional Qualifications (NPQs), which range from middle manager to executive headship positions. We are seeing growing numbers of our ambassadors in senior leadership positions, but we also offer our programmes to non-ambassadors working in eligible schools. We believe it takes a team of leaders for schools to truly thrive.

## **3. POWERFUL NETWORKS**

We empower our ambassadors (those who have completed one of our programmes) and our community to connect together in networks to support each other and tackle educational disadvantage. We cannot leave it to schools alone, however strong their teaching and leadership, to remove all the barriers that young people face. We now have over 90 active networks both inside and outside the education system. These include subject specific networks, networks for senior leaders and head teachers, and networks for ambassadors working in government, social impact enterprises, in business and overseas among others.

The philosophy of our networks is that they are self-directed: unleashing the leadership capacity we have selected for and nurtured during our programmes. And we have seen so much of this energy during the pandemic: from summer schools, and shared resources to the Oak National Academy.

We support networks with facilitation, guidance, interconnections and highly targeted resources. The networks are embedded in the closely knit community of ambassadors, but also extend beyond to anyone who shared the same passion for ending disadvantage.

## **4. THE POLICIES SCHOOLS NEED**

Schools and the young people they serve exist within a wider system and policy framework. This system can support or hinder the schools serving the most disadvantaged communities; and the policies can likewise make things easier or harder. We aim to use our experience and the credible voice of the frontline practitioners in our community to advise on policy and draw together the wider system serving young people. We seek a constructive relationship with government and realise we are one organisation among many seeking similar aims.

We are a proud participant in the Fair Education Alliance and have conducted research and campaigns on funding, digital access, careers guidance and representation in literature and the curriculum.

# Our activities

## Teacher development

### TRAINING PROGRAMME

Trainee teachers on our two-year Training Programme are placed in the schools facing the biggest challenges. They begin teaching in the classroom after five weeks of intensive training over the summer.

Our trainee teachers take a Postgraduate Diploma in Education (PGDE) in teaching and leadership, which is informed by research, as well as feedback from our stakeholders in schools and current teachers. It allows trainees to gain the practical skills needed to become effective in the classroom quickly. Throughout the programme, they're supported by a university tutor, a Teach First expert with experience in teacher education and an in-school mentor. The PGDE is worth twice as many credits towards a master's degree as a PGCE, and it enables our ambassadors to complete a master's degree in just one more year.

We also run a number of programmes designed to give undergraduates and people thinking of changing career to become a teacher, the opportunity to find out more about teaching as a career.

### EARLY CAREER FRAMEWORK

The Department for Education's Early Career Framework (ECF) is a two-year training package for early career teachers. It outlines the knowledge and skills all early career teachers need to know, giving them the support they need to start a fulfilling and rewarding career in teaching. We are delighted to have been selected by the DfE as one of the six lead providers of the programme. As well as delivering the ECF programme directly to schools, we also support a number of delivery partners to deliver our training in their own regions.

Our programme builds schools' mentoring capacity by training and providing support to their mentors, and ensures early career teachers have access to high-quality training and support. Our ECF programme places a greater emphasis on subject-specific training and development than other providers.

### ACADEMIC MENTORING PROGRAMME

The Academic Mentoring Programme was part of the government-funded National Tutoring Programme. It aimed to increase access to high-quality tuition for disadvantaged and vulnerable children, helping them to catch up on learning lost as a result of Covid-19 restrictions. For the first year of the programme, we recruited and trained mentors to work alongside teachers in primary and secondary schools to help pupils progress. We exceeded the contractual targets recruiting and training over 1,100 mentors and reaching over 100,000 students. Our involvement on this programme ran to August 2021.

## School leadership

### LEADING TOGETHER

Our Leading Together programme supports schools to build effective leadership across the whole school. Schools are given training and support from a former headteacher, as well as benefiting from coaching and partnering between schools. The two-year programme helps to develop and sustain an environment where all teachers and pupils can thrive.

### SCHOOL LEADER PROGRAMMES

We are one of a small group of national providers of the DfE accredited National Professional Qualifications (NPQs), giving training and support to teachers and school leaders at all levels. Designed around the specific needs and time constraints of teachers, they provide access to research-based leadership training.

We offer three specialist NPQs for those who want to broaden their expertise in particular areas. They are in Leading Teaching (NPQLT), Leading Behaviour and Culture (NPQLBC) and Leading Teaching Development (NPQLTD).

We also offer three NPQs to support teachers looking to progress into more senior leadership roles. The NPQ in Senior Leadership (NPQSL); Headship (NPQH); and Executive Leadership (NPQEL).

We deliver all NPQs directly as well as working with delivery partners in certain regions.

### **CAREERS LEADER PROGRAMME**

Our Careers Leader programme provides a 12-month package of training to develop careers leaders in schools who can design, implement and evaluate a school-wide careers and employability strategy. This enables more young people to make informed choices about their futures and succeed beyond school.

## **Powerful networks and the policies schools need**

We place emphasis on building connections between programme members to foster a shared commitment to addressing educational inequality. We cultivate new networks to bring people together and enable knowledge sharing and collaboration.

**Networks in programmes:** We build relationships between programme members centred on their shared purpose, and facilitate collaboration between programme members on our cohorts.

**Leadership effects:** We build a shared purpose, values and identity amongst ambassadors in the broader community, centred on addressing the issue of disadvantage and inequality in educational outcomes.

**Cultivating new networks:** We cultivate and support new networks, including affinity groups, local networks, subject, phase, and pastoral teaching networks; businesses and other professional networks.

# Strategic report



# Achievements and performance

It has been another challenging year. For our teachers and schools, but most of all for pupils, and particularly for those from disadvantaged backgrounds. But in these challenging circumstances we are proud to have achieved a great deal.

## Teacher development

### RECRUITMENT

We were able to recruit 1,521 trainee teachers for schools across England (2020: 1,699). We placed 23 teachers in early years settings (2020: 54), 227 in primary schools (2020: 296) and 1,294 in secondary schools (2020: 1,349). 584 (38%) are teaching shortage STEM subjects - science, technology, engineering and maths (2020: 541 (32%)). We also continue to grow our reach across the country. This year 66% of our new cohort are teaching outside of London (2020: 65%).

We were pleased to recruit a high level of STEM teachers. We were also pleased to see how levels of satisfaction and retention with the programme were maintained despite a very challenging and uncertain environment. We are proud to have secured long-term funding for the Training Programme in 2022 and beyond.

We were short of our target of recruiting and placing 1,750 trainee teachers. We had high levels of applicants wishing to enter the profession through our training programme but found that, understandably, the pandemic had reduced the number of teaching vacancies and schools' willingness to take on trainees in the face of the disruption.

We continue to compete against large blue-chip companies and the civil service for the attention of undergraduates. So, we were pleased to be voted eighth in The Times Top 100 Graduate Employers list, the result of nearly 20,000 final year students being asked, "Which employer do you think offers the best opportunities for graduates?" This is the thirteenth consecutive year we have achieved a top-ten ranking. We saw an increase in applications from the start of lockdown across each of our subjects. Our task continues to focus on matching the brightest and best candidates into the classrooms in disadvantaged communities. The challenge remains particularly acute across shortage subjects including STEM.

### TRAINING AND DEVELOPING TEACHERS

88% of our 2020 trainee teacher cohort completed their first year and have now started the second year of their teaching career. Despite the pandemic, this is actually a slight increase on the previous year (87%). And in 2021, 86% of headteachers at our partner schools were satisfied with the quality of our Training Programme.

We trained 1,122 academic mentors on our Academic Mentoring Programme, exceeding our target of 1,000 mentors. We estimate that they were able to give catch up support to 104,000 pupils. We recruited a significant number of new staff to deliver this brand-new programme.

The Early Career Framework programme will become our largest programme in 2021/22 (by participant numbers), as we scale up a national roll out. This year we delivered the programme to 2,678 early career teachers and their in-school mentors. We exceeded our target of working with 2,500 teachers and mentors.

## School leadership

The second cohort of 34 school leadership teams (first cohort: 17) completed our Leading Together programme during the year. 87% indicated that the training had improved their use of evidence to inform school improvement strategies. We currently have 63 more schools in their first or second year of the programme.

We have recruited 165 aspiring leaders to start their NPQs this year – bringing the total number of people we are supporting to 339. Feedback on the programmes continues to be strong, with 88% reporting the NPQs helped prepare them to take on a position of more leadership responsibility. We surpassed our goals of having 150 on this programme.

We further developed our NPQ offering this year and secured long term funding. We are now delivering six different NPQs both directly and working with delivery partners to deliver our training to their regions. This important training will support aspiring leaders as schools recover from the pandemic and address gaps in attainment. Our survey of headteachers from schools who took part in last year's programmes showed that 76% thought that partnering with Teach First had raised the attainment of their pupils.

We have also had strong feedback on our Careers Leader programme, with 91% of last year's cohort feeling the programme developed their leadership skills. As with other programmes, there have been challenges recruiting to the programme to meet a target of 150, but we are pleased with the fact that we have 110 schools on the programme for this year. And we are beginning now to see feedback that careers leaders are having the impact on pupil outcomes that were intended. 89% of Headteachers at schools where we ran the programme last year said that it had raised pupil attainment.

## Powerful networks and the policies schools need

Our investment in and support of our ambassador-led networks is starting to build momentum. Over 300 online resources were shared by our ambassadors during the pandemic. Our annual networks survey showed that 81% of members agree that their networks has helped to spread knowledge and resources between schools. This year the number of networks working to support schools increased from 51 to 90. Our Heads Forward network has allowed Headteachers to work together to navigate the changes and challenges brought about during the pandemic. And the number of ambassadors having completed our training grew beyond 12,000. Across our programmes, more than 80% of programme members agreed that connection with a community of teachers and leaders has supported their professional development.

Of the ambassadors we have trained as teachers since 2003, 62% are currently teaching (2020: 62%). And the majority of those currently teaching are doing so in schools still eligible to be Teach First partners, serving disadvantaged communities. We believe having Teach First ambassadors at every level of leadership in schools in disadvantaged communities will accelerate our impact on educational inequality. The number of ambassador headteachers is now 95 (2020:83). In addition to this there are 2,280 ambassadors in senior leadership roles (2020: 415).

We used our strong network of ambassadors and other supporters to inform our manifesto and policy work. We also successfully campaigned with others for a £1billion catch-up fund to support schools during the pandemic. The manifesto spelled out to government what is required over the years to come to close the gap in attainment between children from disadvantaged backgrounds and their wealthier peers. Our Missing Pages campaign calls for a more diverse curriculum.

# Financial review

## Introduction

2020/21 was a year where we rose to meet the challenges faced during the year. We achieved a small financial surplus of £0.3m in 2020/21 (£0.1m in 2019/20), which continues a positive trend over the past two years. Our financial results show an increase in both income and expenditure of over 20% in 2020/21. We achieved this through delivering against our existing commitments and taking on new challenges. As well as delivering new programmes, we supported our largest number of trainee teachers in school.

We continued to review our expenditure carefully during the year, particularly given the continuing uncertainties. We maintained a 'digital first' approach to programmes and how we run internally during the year, enabling us to prioritise the health of our customers and staff. We invested £5.1m in digital and customer transformation, building on work started last year. This investment will increase the impact and accessibility of our programmes in the future.

	2021	2020	Change
	£m	£m	£m
Total income	70.0	56.5	13.5
Operating expenditure	(64.5)	(53.3)	(11.2)
<b>Operating surplus</b>	<b>5.5</b>	<b>3.2</b>	<b>2.3</b>
Investments/non-recurring costs	(5.2)	(3.1)	(2.1)
<b>Total surplus for year</b>	<b>0.3</b>	<b>0.1</b>	<b>0.2</b>

## Income

The Training Programme generated 80% of our total income (2020: 84%), funded by the Department for Education (DfE) and fees charged to schools. Our income on this programme grew by 20% in 2020/21 (with equivalent increases in expenditure). We are paid based on the number of trainees we recruit and train. In this year, we've trained an increased number of teachers.

There has also been a 95% increase in government income from other programmes, following our activity on the single year expansion of the Early Career Framework and the Academic Mentoring Programme. These programmes were created as a response to the disruption caused by the pandemic, contributing towards a one-off increase in income of £6.0m and related expenditure.

Our voluntary income grew during the year. Donations are critical in enabling us to augment the support we can offer to schools in disadvantaged communities. This flows through all of our work and examples this year included funding to attract Black STEM teachers, additional coaching and mentoring for headteachers in disadvantaged schools to navigate the pandemic, and multi-year donations for the long-term catch-up activity that will be required in the schools we serve. We were also pleased to distribute £1m in laptops and other devices with the help of cash and gift-in-kind donations. Thank you to all of our donors and supporters for the important contributions they have made.

## Expenditure

Our operating costs increased by 21% as a direct result of a wider range and scale of programmatic work. On our Training Programme, we incurred additional staff, university and technology costs as a result of working with more trainees than the previous year.

We ran a hybrid initial teacher training Summer Institute online for the first time. The feedback on this has been positive to date. Trainee teachers visited schools during this period to put into practice their learning. Our focus was to ensure high quality online provision augmented with face-to-face practice opportunities. Given the positive feedback and impact to date, we intend to continue this approach going forward.

We delivered the vast majority of our programmes online for the year. Learning outcomes remained strong, but we recognise that there are times when face-to-face interaction and support are important; we intend to return to a hybrid model in the future where we can improve both the programme member and staff experience.

The Early Career Framework and the Academic Mentoring Programme cost £5.6m, represented by 150 additional programme staff and other delivery costs.

We continued to work closely with universities and newly appointed Teaching School Hubs. We are responding to the changing education landscape by working with a range of school partners to increase our scale and reach on the Early Career Framework and NPQ programmes.

### Non-recurring costs

We have sought to take the best outcomes for our staff and beneficiaries in responding to Covid. Staff are able to work in the environment that suits them best; be that from home or from one of our offices across the country. Visits to schools and universities are taking place in line with regulations, and the rules set out by our hosts.

In this context, we wish to future proof our programmes. We are working on an increased range of programmes, and we need an infrastructure that supports us to create new, improved ways to support schools, teachers, leaders and networks. We have accelerated our investment in digital tools and business transformation. The OneTeachFirst business transformation programme aims to improve the experience of all of our key stakeholders. Our investment aims to transform our operations so that our customers and stakeholders are at the heart of everything we do. Schools, teachers, leaders, networks and staff will all benefit from simplified, standardised and customer centric systems, processes and data. Following extensive design and build work during 2020/21, our new systems and processes will be released during 2021/22.

	2021	2020	Change
	£m	£m	£m
Investment in:			
• customer experience and digital	5.1	1.0	4.1
• new pilot programmes	0.1	0.3	(0.2)
<b>Investments sub-total</b>	<b>5.2</b>	<b>1.3</b>	<b>3.9</b>
Property costs	-	1.7	(1.7)
Redundancies	-	0.1	(0.1)
<b>Total investments/non-recurring costs</b>	<b>5.2</b>	<b>3.1</b>	<b>2.1</b>

### Reserves policy

Our unrestricted (or 'free') reserves are the net current assets of our general unrestricted funds.

We hold these funds to:

- provide a safeguard against the risk of a downturn in our activities (which could lead to expenditure exceeding income)

- provide working capital to finance our day-to-day operations
- provide a safeguard against failure to deliver contractual obligations we have entered into
- protect our solvency in the event of any curtailment of our income-generating activities.

We review our reserves policy on an annual basis and carry out a risk-based assessment of factors likely to reduce our income or increase our expenditure, to make sure our free reserves are appropriate. We believe two to three months of future operating expenditure provide a sufficient reserve to cover these risks. Based on forecast expenditure for 2021/22, the trustees have approved a range for free reserves of between £10.0m and £15.0m. Covid has not resulted in the need to either rely on brought forward reserves, nor to revise the free reserves target.

As at 31 August 2021, total reserves were £12.0m, of which £0.3m were restricted and £0.4m were designated, leaving free reserves of £11.3m (2020: £11.1m). Designated funds relate to fixed assets. The Trustees are forecasting a small increase in free reserves over the medium term in line with our future financial plans.

We didn't hold any investments in financial instruments during the financial year, including those with a social investment focus.

## Going concern

In adopting the going concern basis for preparing the financial statements, the Board has considered the organisation's business activities, liquidity and strategy, as well as the risks to the Charity and the applicable controls.

The organisation's business activities, financial performance and liquidity position are reviewed annually by the Board as part of a full business planning process and thereafter considered on a regular basis to ensure the plan accurately reflects the position of the Charity. In particular, a significant proportion of the Charity's income and expenditure relates to contracts with the Department for Education and the Board regularly reviews the latest multi-year position in relation to the securing, extending and renewing such contracts.

The Board has considered a variety of income and expenditure scenarios prepared by management which stress-test the organisation's ability in the current and forecast economic environment, to manage its monthly liquidity position, flex its resources to customer demand and deliver against its mission. These scenarios, which covered the period to 31 August 2023, provided sensitivity analyses and reverse-stress tests based on key factors such as programme-participant numbers and voluntary income.

Based on these multiple scenarios and their divergence from the organisation's base-case income and expenditure and cashflow forecasts, as well as the liquidity and unrestricted reserves available to the Charity, the Board is satisfied that the Charity has adequate resources to operate for the foreseeable future and considers it appropriate for the organisation to adopt a going concern basis in preparing its financial statements.

# Our risks and uncertainties

Effective risk management is vital in meeting our vision and mission and achieving our goals. All employees should be able to identify, mitigate and manage key risks within their areas and communicate and escalate these as appropriate. This ensures that responsibility for risk is distributed across, and embedded in, the operations of the charity.

We manage risks in accordance with our risk-management policy. All key organisational risks are included on a risk register that assesses their likelihood and impact; tracks the internal controls in place and actions taken to reduce, eliminate or mitigate against them; and sets future mitigating actions that would further reduce the likelihood and impact of the risk materialising.

The Executive Committee has accountability and responsibility for the risk register. The Trustee Board holds overall accountability for ensuring that effective risk management arrangements are in place. It is supported in this role by its Finance Committee which also reviews risks escalated from the executive on a quarterly basis.

The principal risks in relation to 2021/22 and their main mitigations are as follows:

- **Recruitment and placement of our Training Programme teacher cohort for 2022: failure to meet school need**

With a strong recruitment market due to the economic climate, we are focusing on the scale and mix of our cohort. This will better enable us to respond to school need. We are building our school engagement capabilities and strengthening our strategic partnerships with schools to generate increased placement opportunities and allow for enhanced forward planning.

- **Child safeguarding: risk of a child safeguarding incident occurring**

We overhauled our child safeguarding policies and procedures in summer 2020 in response to most of the training moving online during the pandemic. All trainee teachers receive DBS checks and are required to comply with their schools' safeguarding policies and procedures. An executive level Child Safeguarding Committee, chaired by the Child Safeguarding Officer, is in place. A trustee sits on this committee; and the Board also receives regular reports on child safeguarding. All employees receive online training on child safeguarding - in-depth training of key Teach First employees has taken place and is refreshed annually.

- **Government funding: failure to secure sufficient funding for our activities**

We have been successful in securing government funding for the Training Programme for two more cohorts. We are continuing to improve and refine this programme so that it continues to deliver value for money, high-quality delivery and impact.

- **Voluntary income: failure to secure voluntary income to fund our strategic plans**

Voluntary income is an important source of income for us to continue to support schools serving disadvantaged pupils. We have a new income strategy to support our fundraising goals. Our programmatic response to COVID has created additional fundraising opportunities. We are working closely with our Business Leaders Council and Giving Club to develop deeper partnerships and explore new ones.

- **Data protection: protecting ourselves from cyber-security threats**

Having completed a thorough review during the year, we have identified several areas where improvements can be made. This work is being led by our Chief Financial Officer and we have added resource by recruiting a new Head of Information Governance. In-depth mandatory information security and data protection training of all Teach First employees takes place annually. We are also providing a significant focus on information governance, data protection and information security as part of the ongoing *OneTeachFirst* business transformation programme.

- **COVID: protecting the operations of Teach First**

We have developed new programmatic responses to Covid to support schools to respond to the crisis. The majority of our staff continue to work from home and this is supported by our comprehensive agile working policy. Programme content has been redesigned to be delivered virtually. Programme support takes place online where possible.

# Future plans

- Recruit and place a larger cohort of trainee teachers into schools serving disadvantaged communities. We will do this by focusing on recruitment, strengthening existing school relationships, and attracting new school customers, while continuing to adapt our Training Programme offer in light of challenging and changing market conditions.
- Increase the number of schools using multiple programmes and gaining value from networks - to improve outcomes for pupils. This will broaden the depth of our relationship with schools to provide long term impact.
- Deliver the first release of a technology and business transformation project. The aim is to deploy technology to streamline processes. This will enable employees to spend more time on activities that will benefit pupils from disadvantaged communities, and customers to work with us more easily.
- Embed the new ways of working required to act through delivery partners.
- Meet our increased voluntary income target through clear communication of our purpose and our impact.

# Our governance and management

Teach First is a charitable company limited by guarantee and not having share capital. We operate in England and Wales (company number 04478840 and charity number 1098294).

We're governed by our Memorandum of Association and Articles of Association, which were last amended in April 2012. Our Memorandum of Association sets out our charitable purpose, which is to advance the education of the public.

Trustees are also Directors of the charitable company. They are appointed by the Board of Trustees and appointments are for a term of three years. Trustees may be reappointed by the Board to serve for a maximum of two further three-year terms (nine years in total).

During the year the Board appointed two new trustees (Sarah Bibi and Tom Harbour), with four trustees retiring (Jason Arthur, Lorna Gratton, Julianne Ilebode-Akisanya and Tulsi Naidu). The Board reappointed James Bilefield for a further three-year term. At the end of the year, there were 12 trustees.

The balance and diversity of trustees is kept under review by the Board. Emphasis is placed on ensuring that our trustees provide the specific mix of skills and experience that have been identified as important to our objectives and activities, as well as the charity's ongoing development. Six of the trustees during the year were Teach First ambassadors, having completed our Training Programme – the presence of ambassador trustees ensures the voice of a key stakeholder group at Board level. All new trustees receive a full induction programme to ensure they understand the organisation, their role and their responsibilities. New and existing trustees are also offered development opportunities to help them meet these responsibilities.

The Board of Trustees meets regularly to govern the Charity. This year it held four meetings. There is a written schedule of matters reserved for decision by the Board. Matters not reserved for decision by the Board are delegated to one of the Board committees or to the Chief Executive Officer (CEO). The schedule of matters reserved was updated in August 2021.

At its meetings in 2020/21, the Board reviewed organisational performance and impact and risk throughout the year. In addition to matters formally reserved to the Board, it considered the Charity's pandemic response, fundraising strategy, organisational strategy and performance, equality, diversity and inclusion in regard to both employees and trainees on our programmes), child safeguarding, networks development, customer experience and digital transformation. The Board reviewed the charity's progress towards delivering our 2018-2023 Strategy.

Trustees have a duty to promote the success of the Charity and, in doing so, are required by Section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- The likely consequences of decisions in the long term (as covered in the section on 'Risks and uncertainties' and 'Future plans' on pages 15 to 17)
- The interests of employees (as covered in the section on equality, diversity and inclusion and employee engagement on pages 20 and 21)
- The need to foster the Charity's relationships with third-party stakeholders, including the Department for Education, schools, candidates, trainees, participants, donors and funders, and contractors and suppliers (as covered in the section on 'Achievements and performance' on pages 10 to 11)
- The impact of the Charity's operations on the community and environment (as covered by the section on 'Environmental reporting' on pages 21 and 22)
- The desirability of the Charity maintaining a reputation for high standards of business conduct (as covered by the Welcome from our Chair and Chief Executive Officer's Introduction on pages 2 and 3).

## Finance Committee

The Finance Committee assists the Board of Trustees with; financial review; review of internal financial controls; risk management policy and processes; monitoring the effectiveness of the internal and external audit functions and making recommendations to the Board on the appointment of the auditors; and employee salary and benefits management, including the CEO's remuneration. This year the Finance Committee held eight meetings, including three additional meetings to discuss the OneTeachFirst transformation programme, the Charity's future fundraising needs and to review the key findings of the Charity's going concern review and the going concern disclosure.

The Finance Committee regularly reviews the financial performance of the charity and ensures appropriate financial planning and policies are in place. As part of this, it reviews and recommends the charity's budget to the Board on an annual basis. To assist with risk management, the Finance Committee regularly reviews the organisational risk register and reviews and recommends the risk management policy to the Board. It is the responsibility of the Finance Committee to recommend the appointment of the external auditor; review audit findings and meet with the internal and external auditors; and report to the Board on matters of significance arising from the annual audit. The Finance Committee also reviews the Trustees' Annual Report and Accounts and recommends these to the Board for approval.

During the year the Finance Committee approved the Charity's three-year financial framework, the budget and business plan and the staff annual salary review. During the year the committee also reviewed the internal audit reports for the following key business areas: Fundraising (Corporate), Human Resources, Information Systems, Government Income and Safeguarding (Academic Mentoring Programme).

As a result of their work in 2020/21, our internal auditors – RSM – were able to conclude that “The organisation has an adequate and effective framework for risk management, governance and internal control.”. RSM's work also identified several further enhancements that could be made to the framework for risk management, governance, and internal control to ensure that it remains adequate and effective. Recommendations in relation to these enhancements have been or are being actioned and we have introduced formal follow-up reviews to ensure continuing progress.

In 2020/21 the Committee conducted an annual review of some of the charity's policies including the risk policy, the reserves policy, the whistleblowing policy, the CEO expense claims policy and the trustee's expenses policy. Additionally, the Committee received an update on management's approach to data protection.

## Technology Committee

The Technology Committee was established in November 2020 and assists the Board of Trustees with technology-related matters.

The Technology Committee provides governance oversight of the charity's technology and systems. It reviews and monitors progress on the OneTeachFirst business transformation programme from a technology perspective and considers how technology can play a key role in re-shaping the design and delivery of professional development for teachers and school leaders. It also considers the charity's strategic partnerships with large technology organisations.

This year the Technology Committee held four meetings

## Nominations Committee

The Nominations Committee assists the Trustee Board with succession planning.

The Nominations Committee recommends to the Board suitable candidates for Board appointments, including the Chair. Where appropriate it also recommends the reappointment of trustees. This year the Nominations Committee recommended the appointment of two new trustees and the reappointment of one trustee.

## Organisational structure

The Board of Trustees delegates the day-to-day management of Teach First to the CEO and the Executive Team. The CEO and Executive Team meet regularly as the Executive Committee to manage activities undertaken by Teach First.

The names of the members of the Executive Committee can be found on page 25.

## Teach First subsidiaries

Teach First has two subsidiary companies; Teach First Trading Limited; and Teach First Initial Teacher Development Limited. Teach First Trading Limited continues to raise funds to support the delivery of Teach First's charitable purposes. Details of the financial performance of Teach First's subsidiaries are included in note 10 to the financial statements.

Teach First Initial Teacher Development Limited will be struck off the companies register, as it has been dormant for 2 years. It was established to manage a now-fulfilled contract awarded by the Department for Education. This contract ended on 31 July 2017. A new contract was awarded by the National College for Teaching and Leadership to Teach First (Teach First Initial Teacher Development Limited's parent) for the provision of initial teacher training in England in the years 2017-19. Therefore, with the end of the only income-generating activity of Teach First Initial Teacher Development Limited, it became dormant in February 2020.

## Equality, diversity and inclusion

We work with our organisation and within our sector to bring greater diversity and inclusivity. Only with a diverse and inclusive workforce that has personal experience of our mission will we be able to unlock our potential. We continue to look for ways to create a culture where everyone, from any background, can do their best work. We are taking action to improve our diversity and inclusion, including working to address both our gender pay gap and ethnicity pay gap.

We're committed to providing fair and competitive rewards to all our employees. We're confident we pay fairly for the same or equivalent work, regardless of gender. We do have a gender pay gap (0.10% median and 8.07% mean). Our male/female balance or 'gender composition' is driven by very common 'gendered' roles within the education sector. For example, most programme delivery roles, where it is a requirement to be an experienced teacher, are carried out by female colleagues (teachers are 74% female). And, like many organisations, our gender pay gap is shaped by a small underrepresentation of women in senior and specialist management roles compared to entry level roles within the organisation. We know our gender pay gap is driven by us having lower female representation at senior levels and we're working to address this imbalance, including through blind recruitment practices; agile and flexible working; family friendly policies; and transparency over reward and recognition. We have been named as a top-30 employer by Working Families and Best for Family Support by workingmums.

Over the past year Teach First has become more ethnically diverse. In August 2020 15% of all employees identified as being from an ethnic minority. By August 2021 this had increased to 17% of all employees. Whilst this compares favourably to the voluntary (9%) and private (11%) sectors, we know that our ethnicity pay gap (3.59% median and 5.67% mean) is driven by us having lower ethnic-minority representation at management and senior leadership levels. We have more than doubled ethnic-minority representation across leadership (level 4 and above) since April 2019 (4.7%) with 11.2% of senior colleagues now identifying as BAME, but this is still not representative of the UK working age population (14% ethnic minority) and there is also much progress to be made if we are to be representative of the pupils and communities we serve. As a first step, we are committing to 20% of our leadership teams (level 4 and above) being from an ethnic minority by August 2024, to align more closely to the communities we serve. Within this we are committed to our Executive Committee and each of our Directorate leadership teams including at least one ethnic-minority member.

As an employer our aim is to create a place where everyone can perform, learn and contribute while having the confidence to be themselves. To do this we must remove the systemic biases and barriers that have become all too

familiar within the workplace. For example, we've made significant changes to our employee recruitment and selection processes. Building on rules to ensure diverse shortlists, we're making sure decision-making at interview stage is distributed with no one person having full say. And insisting that everyone involved in interviewing taking part in training on inclusive hiring practices.

We've created clear policies and guidance to embed equity, diversity, and inclusion across the charity at key moments in a person's life, including a Trans and Non-Binary Equality Policy, Menopause, Bereavement, and Serious Illness Guidance and more. This is underpinned by training and a programme of events to celebrate our diversity and better understand the experiences of those from historically marginalised and under-represented groups.

Transparency is vital in our commitment to increase the representation of our workforce to better reflect the UK working population and the communities we serve. We publish all our employee demographic data twice a year and have targets for the representation we want to see in our workforce by 2024.

Across the sector, we are actively seeking to promote increased diversity. We recognise the power that diverse teachers and school leaders have as role models to their pupils and communities. Our Missing Pages campaign, which highlighted the dearth of non-white British authors in our curriculum, reached 18 million people. We are also working to increase the number of Black teachers in our classrooms through our recruitment efforts, in part funded by F1 driver Lewis Hamilton's Mission44 foundation. Furthermore, we actively support and design our content in order that is accessible – and we are implementing changes to how we operate in order that we can promote trainee teachers that may need reasonable adjustments.

## **Employee engagement**

Our employees' contributions make real differences to how we work and all our experiences here. Each of our directorates is represented at our elected Employee Engagement Forum that meets regularly through the year. Employees can contribute ideas to improving their experience at work and how we operate. In the past year the forum has addressed our COVID response, employee benefits provision and diversity and inclusion. Through our employee surveys we're continually hearing from our people on what's going on and can see what's making things better – and what's not. Staying close to our purpose is so important to us that we offer our people three days a year where they can do voluntary work that gets them close to our purpose. In the past year our employees have used these vision engagement days to provide career coaching to pupils, volunteer as student mentors, take up school governor positions and much more. The summary outcomes of this work are shared with the Executive Committee and the Board of Trustees. We also work with a wide range of corporate partners, whose staff engage in volunteering on our programmes to broaden our reach and impact.

## **Remuneration**

The Board of Trustees is responsible for the CEO's remuneration and our employee salary and benefits management framework. These are reviewed by the Finance Committee regularly and are recommended by the Committee to the Board for approval.

## **Environmental reporting**

Teach First operates from twelve offices across the country and our energy use is related to:

- Administrative activities, including the use of electricity for office equipment and fuel and electricity for heating and cooling purposes
- Business travel, using employee-owned vehicles, for which the corresponding business mileage is paid by the organisation.

During the year ended 31 August 2021, we consumed 457 MWh of energy (2020: 500 MWh).

We have worked with an environmental consultant to quantify that Teach First emissions in the year were as follows:

ton CO <sub>2</sub> e	2021	2020
Scope 1: direct emissions	0	0
Scope 2: indirect office-space emissions	95	114
Scope 3: business travel emissions	16	135
Total emissions	111	249

The chosen intensity measurement ratio is total gross emissions in ton CO<sub>2</sub>e per Full Time Equivalent member of staff (FTE), the recommended ratio for the sector. For the year, we caused the emission of 0.14 ton CO<sub>2</sub>e per FTE (2020: 0.40 ton CO<sub>2</sub>e).

### Measures taken to improve energy efficiency

Emissions reduced in the year as the charity spent much of the period working virtually due to Covid-19 restrictions.

In addition, emissions were reduced through moving from three floors to two in the main London office.

Teach First has limited control over energy consumption and greenhouse gas emissions, as we do not own our office spaces and the vehicles used for business travel are owned by staff.

In these circumstances, we have implemented the following actions to improve our energy efficiency:

- maintaining air-conditioning units to enable maximum energy efficiency
- turning off heating and other equipment on all floors in London when the building is not occupied
- setting an ambient temperature in the office to use less energy
- active engagement with staff on how to improve their own personal footprint at work

Teach First is committed to the government's target of achieving net zero emissions by 2050, and we are developing aspirational plans that would enable us to get to net zero carbon emissions by no later than 2030.

### Quantification and reporting methodology

We have complied with The Companies (Directors' Report) and Limited Liability Partnerships (energy and carbon) Regulations 2018, incorporating the UK Government's policy on Streamlined Energy and Carbon Reporting ('SECR'), which came into force on 1 April 2019. The emissions and energy usage figures for FY2020 have been restated, following an update to a more thorough methodology.

### Public benefit

All our activities are undertaken to further our charitable purpose, which is to advance the education of the public. More specifically, the charity is working towards a day when no child's educational success is limited by their socio-economic background. In working towards this vision, we also envisage having a positive impact on wider society.

The trustees have a duty to consider public benefit guidance published by the Charity Commission. We are satisfied that the purpose and activities of the charity continue to satisfy the requirements of the public benefit test set out in section 17 of the Charities Act 2011. We have demonstrated how we have worked towards our charitable purposes, by setting out our achievements during the year in our Trustees' Report (on pages 5-11).

## Compliance information

### MODERN SLAVERY TRANSPARENCY STATEMENT

We are required to publish an annual statement on the steps we have taken to ensure that modern slavery is not present in the charity's supply chains or operations. We are committed to upholding the letter and spirit of the Modern Slavery Act, and our Modern Slavery Transparency Statement for 2020/21 is published on our website. This sets out what steps we have taken to prevent modern slavery from occurring within the charity and our supply chains, along with future plans in this area.

### SUPPLIER RELATIONS

The organisation, as governed by the Board of Trustees, has taken into account the impact of business changes on donors, funders and suppliers. We have reviewed our payment terms reporting, which showed that over 95% of invoices were paid within 60 days.

### FUNDRAISING

The Charity Act 2011 (as amended) requires all charities subject to audit to provide information on their fundraising practices within the trustees' annual report. This is to help protect the public from intrusive practices.

The majority of our income comes from statutory contracts and school fees for the provision of initial teacher training. However, voluntary funding is important to enable us to deliver our vision and mission. We therefore undertake a range of fundraising activities in support of our charitable aims. Our approach to fundraising includes:

- partnerships with corporate supporters
- securing grants from trusts and foundations
- donations from individuals (mainly from philanthropists but also, on a smaller scale, the wider public)
- entry fees and sponsorship raised by individuals for challenge events (such as Run the River)
- sponsorship related to other events

Most of our fundraising activity is managed in-house. During the year we did use the services of some specialist providers, to support us in certain areas. This included a specialist research agency, to support our efforts to seek donations from philanthropists; use of advertising agencies to publicise our fundraising events; and events management companies, to provide logistical support in organising larger events. All of this is undertaken under the supervision of our in-house fundraising team.

We did not engage the services of any professional fundraising agencies to undertake direct response fundraising solicitation or cultivation either by phone, online or face-to-face, during the year.

We strive to achieve the highest possible standards of fundraising and undertake a number of measures to ensure we are accountable for our practices. We've had no complaints with regards to our fundraising practices.

We are registered with the Fundraising Regulator who holds the Code of Fundraising Practice for the UK. We work within these regulations, as well as carrying out our activities in line with the expectations of our supporters.

## Trustees' statement of responsibilities

The trustees, who are also directors of Teach First for the purposes of company law, are responsible for preparing our Annual Report and Accounts in accordance with applicable law and regulations. Company law requires that trustees prepare financial statements for each financial year. Under this we are required to prepare the group and parent company financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), comprising FRS 102 *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'*.

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 the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Charities Statement of Recommended Practice (SORP) (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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. The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the group's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487 (2) of the Companies Act 2006 unless the company receives notice under Section 488 (1) of the Companies Act 2006.

## Liability of members of the Board of Trustees

Teach First is limited by guarantee and has no share capital. The trustees are members of the company and every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up while he or she is a member or up to one year thereafter. At 31 August 2021 there were 12 members.

## Declaration

This Trustees' Annual Report on pages 5-24, including the Strategic Report on pages 10-17, is presented and approved by the Board of Trustees and signed on its behalf.

Signed   
Date 10/2/2022

**Dame Vivian Hunt**  
Chair of the Board of Trustees

# Administrative details

## Teach First

Registered name: Teach First  
Charity number: 1098294  
Company number: 04478840  
Principal and registered office:  
6 Mitre Passage,  
Greenwich Peninsula,  
London, SE10 0ER  
Website: [www.teachfirst.org.uk](http://www.teachfirst.org.uk)

## Patron

His Royal Highness The Prince  
of Wales KG KT GCB AK QSO ADC

## Vice Patron

Dame Julia Cleverdon DCVO CBE

## Founder and Honorary President

Brett Wigdortz OBE

## Board of Trustees

Dame Vivian Hunt (Chair)  
Aziza Ajak  
Jason Arthur (until 8 April 2021)  
Sarah Bibi (from 8 April 2021)  
James Bilefield  
Caroline Carr  
Alison Duncan  
Lorna Gratton (until 20 May 2021)  
Tom Harbour (from 8 April 2021)  
Lord Jonathan Hill  
Julianne Ilebode-Akisanya (until 8 April 2021)  
Dame Mary Marsh  
Richard Meddings CBE (Senior Independent Director)  
Tulsi Naidu (until 15 January 2021)  
Nick Owen CBE  
Dame Alison Peacock (until 31 October 2021)

## Company Secretary

Gillian Budd

## Finance Committee

Alison Duncan (Chair)  
Julianne Ilebode-Akisanya (until 8 April 2021)  
Richard Meddings CBE  
Nick Owen CBE

## Nominations Committee

Dame Vivian Hunt (Chair)  
Alison Duncan  
Lorna Gratton (until 20 May 2021)  
Richard Meddings

## Technology Committee

James Bilefield (Chair)  
Aziza Ajak  
Tom Harbour  
Faisal Karjikaar (Co-opted member)  
Lorna Gratton (until 20 May 2021)  
Mike Page (Co-opted member)  
Stuart Riley (Co-opted member)

## Executive Committee

Russell Hobby CBE, Chief Executive Officer  
Shelley Gonsalves, Executive Director for Programme  
Delivery  
Rob Halkyard, Executive Director for Engagement  
Daria Kuznetsova, Executive Director for Strategy,  
Research and Performance  
Flora Letanka, Executive Director for Network  
Development  
Reuben Moore, Executive Director for Programme  
Development  
Andrew Oliva-Hauxwell, Executive Director for  
Recruitment  
Steve Porter, Chief Finance Officer and Executive  
Director for Charity Services

All members of the Executive Committee are deemed  
key management personnel.

## Bankers

Barclays Bank plc  
1 Churchill Place  
London E14 5HP

## Solicitors

Clifford Chance  
10 Upper Bank Street  
London E14 5JJ

## Ashurst

London Fruit & Wool Exchange  
1 Duval Square  
London E1 6PW

## External Auditor

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2A 1AG

## Internal Auditor

RSM Risk Assurance Services LLP  
The Pinnacle,  
170 Midsummer Boulevard  
Milton Keynes MK9

# Independent Auditor's report to the members of Teach First

## Opinion

We have audited the financial statements of Teach First (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 August 2021 and of the group's 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.

## Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

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 group's and parent charity'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.

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.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

### **Other information**

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

We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and the Directors' report, prepared for the purposes of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Annual Report.

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

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

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

## **Responsibilities of trustees for the financial statements**

As explained more fully in the Trustees' Statement of Responsibilities set out on page 24, the trustees (who are also the directors of the charitable company 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 group and the parent charitable company'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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), the Companies Act 2006 and the Data Protection Act 2018.
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, and through our legal and professional expenses review.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
  - Challenging assumptions and judgments made by management in its significant accounting policies
  - Identifying and testing journal entries
  - Identifying and testing related party transactions
  - Inspecting the board minutes

- Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
  - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
  - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The charitable company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
  - The charitable company's control environment, including:
    - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations
    - The adequacy of procedures for authorisation of transactions and review of management accounts, and
    - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

### Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Grant Thornton UK LLP*

Stephen Dean BA (Hons) FCA DChA  
 Senior Statutory Auditor  
 for and on behalf of Grant Thornton UK LLP  
 Statutory Auditor, Chartered Accountants  
 London  
 Date: 10/2/2022

# Consolidated Statement of Financial Activities

(Incorporating an income and expenditure account)

For the year ended 31 August 2021

	Note	Unrestricted funds	Restricted funds	Total 2021	Total 2020
		£'000	£'000	£'000	£'000
<b>Income</b>					
Charitable activities	2	61,232	-	61,232	49,243
Donations	2	5,114	3,190	8,304	7,091
Investments		65	-	65	149
Income from other trading activities	2	418	-	418	43
<b>Total Income</b>		<b>66,829</b>	<b>3,190</b>	<b>70,019</b>	<b>56,526</b>
<b>Expenditure</b>					
Cost of raising funds	3	2,535	-	2,535	1,960
Expenditure on charitable activities	3	64,033	3,195	67,228	54,473
<b>Total Expenditure</b>		<b>66,568</b>	<b>3,195</b>	<b>69,763</b>	<b>56,433</b>
<b>Net result for the year</b>		<b>261</b>	<b>(5)</b>	<b>256</b>	<b>93</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September	14	11,433	327	11,760	11,667
<b>Total funds carried forward at 31 August</b>	<b>14</b>	<b>11,694</b>	<b>322</b>	<b>12,016</b>	<b>11,760</b>

All income and expenditure derive from continuing activities.

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

The notes on pages 34 to 53 form an integral part of these financial statements.

A Statement of Financial Activities for the Charity is set out in note 19.

# Consolidated and Charity Balance Sheets

As at 31 August 2021

	Note	Group 2021	Charity 2021	Group 2020	Charity 2020
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible assets	9	383	383	321	321
Investments in trading subsidiaries	10	-	-	-	-
Total Fixed Assets		383	383	321	321
Current Assets					
Debtors	11	27,744	27,873	24,159	24,355
Cash at bank and in hand		25,047	24,731	25,169	24,968
Total Current Assets		52,791	52,604	49,328	49,323
Creditors: amounts falling due within one year	12	(40,436)	(40,249)	(37,150)	(37,145)
Net current assets		12,355	12,355	12,178	12,178
Total assets less current liabilities		12,738	12,738	12,499	12,499
Provisions for liabilities	13	(722)	(722)	(739)	(739)
Net assets		12,016	12,016	11,760	11,760
Funds					
Restricted funds	14	322	322	327	327
Unrestricted funds	14	11,694	11,694	11,433	11,433
TOTAL		12,016	12,016	11,760	11,760

The notes on pages 34 to 53 form an integral part of these financial statements. The financial statements on pages 30 to 53 were approved and authorised for issue by the Board of Trustees on 10 February 2022, and were signed on its behalf by:

  
**Dame Vivian Hunt**  
 Chair

Company Registration Number 04478840

# Consolidated Statement of Cash Flows

For the year ended 31 August 2021

	Note	2021	2020
		£'000	£'000
<b>Cash flows from operating activities</b>			
Net cash inflow from operating activities		81	2,448
<b>Cash flows from investing activities</b>			
Interest from investments		64	149
Purchase of property, plant and equipment	9	(267)	(332)
<b>Net cash outflow from investing activities</b>		<b>(203)</b>	<b>(183)</b>
<b>Net movement in funds</b>			
Change in cash and cash equivalents in the reporting period		(122)	2,265
Cash and cash equivalents at beginning of the year		25,169	22,904
<b>Cash and cash equivalents at end of the year</b>		<b>25,047</b>	<b>25,169</b>

The notes on pages 34 to 53 form an integral part of these financial statements.

**Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities**

	Note	2021	2020
		£'000	£'000
Net surplus for the year		<b>256</b>	<b>93</b>
<b>Adjustments for:</b>			
Deposit interest and investment income receivable		(65)	(149)
Depreciation and amortisation charges	5	206	414
Impairment of property, plant and equipment		0	1,330
Increase in debtors		(3,585)	(4,033)
Increase in creditors		3,286	5,040
Decrease in provisions		(17)	(261)
Loss on disposal		0	14
<b>Net cash inflow from operating activities</b>		<b>81</b>	<b>2,448</b>

	2021	2020
	£'000	£'000
Cash at bank and in hand	25,047	25,169
<b>Net cash used on operating activities</b>	<b>25,047</b>	<b>25,169</b>

**Analysis of changes in net debt**

	At 1 September 2020	Cash flows	Other non-cash charges	At 31 August 2021
	£'000	£'000	£'000	£'000
<b>Cash</b>	25,169	(122)	-	25,047

The notes on pages 34 to 53 form an integral part of these financial statements.

# Notes to the financial statements

## 1. Accounting Policies

### A) BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006. Teach First meets the definition of a public benefit entity under FRS 102. The Financial Statements are presented in Sterling (£) which is the functional currency of the group and entity. Teach First, and its subsidiaries are incorporated in England and Wales.

### B) GOING CONCERN

In adopting the going concern basis for preparing the financial statements, the Board has considered the organisation's business activities, liquidity and strategy, as well as the risks to the Charity and the applicable controls.

The organisation's business activities, financial performance and liquidity position are reviewed annually by the Board as part of a full business planning process and thereafter considered on a regular basis to ensure the plan accurately reflects the position of the Charity. In particular, a significant proportion of the Charity's income and expenditure relates to contracts with the Department for Education and the Board regularly reviews the latest multi-year position in relation to the securing, extending and renewing such contracts.

The Board has considered a variety of income and expenditure scenarios prepared by management which stress-test the organisation's ability in the current and forecast economic environment, to manage its monthly liquidity position, flex its resources to customer demand and deliver against its mission. These scenarios, which covered the period to 31 August 2023, provided sensitivity analyses and reverse-stress tests based on key factors such as programme-participant numbers and voluntary income.

Based on these multiple scenarios and their divergence from the organisation's base-case income and expenditure and cashflow forecasts, as well as the liquidity and unrestricted reserves available to the Charity, the Board is satisfied that the Charity has adequate resources to operate for the foreseeable future and considers it appropriate for the organisation to adopt a going concern basis in preparing its financial statements.

### C) GROUP FINANCIAL STATEMENTS

These financial statements consolidate the results of the charity and its wholly-owned subsidiary on a line-by-line basis.

A separate statement of financial activities and income and expenditure accounts are not presented for the charity itself in accordance with the applicable exemptions afforded by section 408 of the Companies Act 2006. All group entities have uniform accounting policies.

### D) INCOME

Income is recognised when the charity has entitlement to the funds: any performance conditions attached to the term(s) of income have been met; it is probable that the income will be received, and the amount can be measured reliably.

The following specific policies apply to categories of income:

**Fees paid by schools**

Fees are paid by schools for each trainee placed with them. A deposit element is recognised in the year in which the trainee is placed. Fees for year one and year two of the placements are recognised over the period the trainee is teaching in the school over the two-year programme. If a trainee withdraws from the programme before the October half-term of their first year, a refund is issued to the school for the full fee and deposit. For withdrawals thereafter, refunds are calculated based on the number of complete months the trainee is not at the school.

**Initial Teacher Training**

Income for Initial Teacher Training relates to income received in respect of our contract with the Department for Education for delivery of the Training Programme in England. Income is recognised in line with the delivery of the contracted service provided less any clawback due.

**Other Government contracts**

All income to which the Charity is entitled at year end is recognised in the accounts, except where there are conditions attached to the contracts which we are uncertain will be met; or where the charity is yet to meet performance-related conditions attached to the contract.

**Voluntary income**

income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. In the case of a grant or corporate donation, evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to the charity. In exceptional circumstances, Voluntary income may be recognised in advance of a formal signed agreement where an authorised individual confirms that a signed agreement has been delayed due to administrative procedures (e.g. where a Foundation Board only meet quarterly to confirm grants). In these cases, an assessment will be made on the basis of the probability of receipt of income. Some donations and grants will contain terms or conditions that must be met before the charity has entitlement to the resources. This income is deferred until the conditions have been met.

Other donations are recognised when received.

**Sponsorship/licencing income**

Income on sponsorship or licencing in Teach First Trading Limited is earned at the date that agreement is signed between Teach First and the donor. Where it is possible to identify the period in which the customer receives the benefit of the service, the income will be recognised when benefits are conferred to the customer.

**Investment income**

Investment income is earned from interest on funds held on deposit. Income is recognised when receivable and the amount can be measured reliably.

**E) DONATED GOODS, FACILITIES AND SERVICES**

Donated goods, professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

## F) FUND ACCOUNTING

Restricted funds are those funds received with specific conditions attached and are restricted for use in those activities only. All other funds received are considered unrestricted funds and are available to spend on activities that further any purposes of the charity.

Designated Funds are unrestricted funds set aside by the trustees in respect of fixed assets or for use on specific future projects.

## G) EXPENDITURE

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Support costs include the management and administration of Teach First and include staffing and the associated costs of supporting, monitoring and evaluating the work of the charity and irrecoverable VAT. These costs have been split between costs of generating funds and charitable activities. The bases on which support costs have been allocated are set out in note 4.

The direct costs of raising funds and charitable activities, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of the charity.

Contributions in respect of the charity's defined contribution pension scheme are charged to the income and expenditure account in the year in which they are payable to the scheme.

## H) OPERATING LEASES

The charity classifies the lease of office space and photocopying equipment as operating leases. The title to the assets remains with the lessor and the items are held for significantly less than the useful life of the asset. Payments under operating leases are charged to the income and expenditure account on a straight-line basis.

Transactions in foreign currencies are recorded at the rate ruling at the time of transaction.

## I) TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at their purchase price, together with any incidental costs of acquisition. Individual assets are capitalised only when their cost of acquisition is over £500.

Tangible fixed assets are depreciated based on original cost or valuation, less any residual value, on a straight-line basis over the expected useful economic lives of the assets concerned.

Depreciation is charged from the month of purchase, and none in the year of disposal.

The annual rates used for this purpose are:

- Computer equipment - 33.3%
- Equipment, fixtures and fittings - 20%
- Leasehold improvement - depreciated over the term of the lease

Impairment reviews are conducted on an annual basis to ascertain whether the fixed asset generates net economic benefit.

## **J) INVESTMENTS**

Investments held as fixed assets are stated at cost, less any provision for impairment.

## **K) DEBTORS**

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

## **L) 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 less than 12 months from the balance sheet date.

## **M) CREDITORS AND PROVISIONS**

Creditors and provisions are recognised where the charity has a present obligation as a result of a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably.

## **N) VOLUNTEERS**

Volunteers give their time freely to nurture and develop the young people and teachers we work with. The value of this is not recognised in the accounts.

## **O) SIGNIFICANT JUDGEMENTS AND ESTIMATES**

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. It is the opinion of the Trustees that there are no 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. In FY20, we made a judgement to impair the carrying value of the leasehold improvements to our London office. A reassessment made this year has not changed that judgement.

## 2. Incoming resources

	Unrestricted	Restricted	Total 2021	Total 2020
	£'000	£'000	£'000	£'000
<b>Charitable Activities</b>				
Fees paid by schools	16,761	-	16,761	13,293
Initial Teacher Training	39,355	-	39,355	33,639
Early Career Training	4,143	-	4,143	387
Other Contracts	973	-	973	1,924
<b>Total Charitable Activities</b>	<b>61,232</b>	<b>-</b>	<b>61,232</b>	<b>49,243</b>
<b>Donations</b>				
Voluntary income from Corporates, Trusts and Foundations and Major Donors	4,185	3,190	7,375	6,444
Donations in kind	929	-	929	647
<b>Total Donations</b>	<b>5,114</b>	<b>3,190</b>	<b>8,304</b>	<b>7,091</b>

Early Career Training has been disclosed separately from other contracts this year given the growth of this activity. The 2020 figures have been restated accordingly to separate out Early Career Training income and other contracts from "other government contracts" as presented in the 20/21 accounts.

Further information is provided on the support of gifts and services donated in kind:

	2021 Total	2020 Total
	£'000	£'000
Training and professional services	406	336
IT services	523	311
<b>Total</b>	<b>929</b>	<b>647</b>

Income from other trading activities includes rental income from sub-leasing a floor of our London office.

### 3. Expenditure

	Support costs	Direct expenditure	2021 Total	Support costs	Direct expenditure	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure on raising funds</b>	420	2,115	2,535	441	1,519	1,960

	Support costs	Direct expenditure	2021 Total	Restated Support costs	Direct expenditure	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Teacher recruitment	1,949	7,164	9,113	1,922	5,665	7,587
Teacher trainee development	6,097	36,213	42,310	5,879	31,621	37,500
Leadership programmes, networks and other activities	1,447	5,428	6,875	1,691	4,732	6,423
Early career training	796	3,003	3,799	48	203	251
<b>Charitable Operating Expenditure</b>	<b>10,289</b>	<b>51,808</b>	<b>62,097</b>	<b>9,540</b>	<b>42,221</b>	<b>51,761</b>
Non-recurring digital and other costs	-	5,131	5,131	-	2,712	2,712
<b>Expenditure on charitable activities</b>	<b>10,289</b>	<b>56,939</b>	<b>67,228</b>	<b>9,540</b>	<b>44,933</b>	<b>54,473</b>

Our Early career training programmes expanded during the year and are now shown as its own line.

We have restated the 2020 expenditure on charitable activities in order to provide greater transparency into the non-recurring items. We anticipate that these investment programmes will improve the way that we can work with our schools, candidates, trainees and other programme members to offer better customer experience and are thus allocated in full to charitable activities.

## 4. Allocation of support costs and non-recurring costs

Support costs are allocated as a proportion of the associated staff costs in these areas. Support costs in 2020 included non-recurring digital and other costs in full (£12,693,000).

Allocation of support costs	2021 Total	Restated 2020 Total
	£'000	£'000
Expenditure on raising funds	420	441
Expenditure on charitable activities	10,289	9,540
<b>Total</b>	<b>10,709</b>	<b>9,981</b>

Support costs are constituted of the following types of costs:

Support costs	2021 Total	Restated 2020 Total
	£'000	£'000
Salaries and staff costs	6,288	5,766
Premises cost and rent	1,161	1,379
Operations and office management	1,240	1,057
Information technology	1,377	1,094
Depreciation and amortisation	206	414
Governance costs	437	271
<b>Total</b>	<b>10,709</b>	<b>9,981</b>

We have restated the presentation to split out non-recurring costs, including our costs on digital transformation and property impairment. These are shown as charitable activity expenditure and are constituted as follows:

Non-recurring digital and other costs	2021 Total	Restated 2020 Total
	£'000	£'000
Salaries and staff costs	833	672
Information technology	4,298	310
Premises cost and rent	-	400
Impairment of leasehold improvements	-	1,330
<b>Total</b>	<b>5,131</b>	<b>2,712</b>

## 5. Net income for the year

This is stated after charging:

	2021 Total	2020 Total
	£'000	£'000
Depreciation	206	414
Auditor remuneration payable:		
Fees payable to the company's auditor for the audit of the company's annual accounts relating to the current year	37	33
Fees payable to the company's auditor for other services:		
• Audit of the accounts of subsidiaries	7	6
• Tax compliance services	-	2
Operating lease charges: rent and equipment	1,007	1,045

## 6. Analysis of staff costs and the cost of key management personnel

	2021 Total	2020 Total
	£'000	£'000
Wages and salaries	32,275	25,855
Employer's national insurance costs	3,081	2,520
Pensions and other staff costs	2,186	2,200
<b>Total</b>	<b>37,542</b>	<b>30,575</b>

## Salary bands:

	2021	2020
60,000 – 69,999	23	22
70,000 – 79,999	10	7
80,000 – 89,999	3	3
100,000 – 109,999	2	2
110,000 – 119,999	3	1
120,000 – 129,999	1	1
150,000 – 159,999	-	1
160,000 - 169,999	1	-

The cost of key management personnel, comprising the Executive Committee, was £929,940 (2020: £881,802). The members of the Executive Committee are listed on page 25. Employer pension contributions paid in respect of these employees amounted to £53,771 (2020: £53,472). The total of termination payments was £161,670 (2020: £87,354). The nature of these payments were lump-sums and they have been recognised when the charity became legally obliged to make these payments.

## PENSION CONTRIBUTIONS

Teach First contributes to defined contribution pension policies for its qualifying employees. Employer contributions payable for the year amounted to £1,468,359 (2020 - £1,262,388), of which £270,557 (2020 - £222,452) was outstanding at the balance sheet date.

## 7. Staff numbers

	2021	2020
The average number of employees on a Full Time Equivalent basis during the year were:	771	628
The average number of employees on a Headcount basis during the year were:	814	665

Staff numbers and costs increased by 23% in line with the increase in current programme activity and planned growth.

## 8. Taxation

Teach First is a registered charity under the Charities Act 2011 and as such is exempt from tax on its income and gains to the extent that such income and gains are applied for charitable purposes. Teach First is parent to Teach First Trading Limited. The company made a profit of £268,000, which it will distribute under a deed of covenant and has been recognised in 2021.

## 9. Consolidated and Charity tangible fixed assets

	Leasehold improvements	Computer equipment	Equipment, fixtures and fittings	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 September 2020	3,278	866	543	4,687
Additions	-	267	-	267
Disposals	-	(95)	-	(95)
<b>At 31 August 2021</b>	<b>3,278</b>	<b>1,040</b>	<b>543</b>	<b>4,859</b>
<b>Depreciation and impairment</b>				
At 1 September 2020	3,278	670	418	4,366
Charge for the year	-	132	74	206
Disposals	-	(95)	-	(95)
<b>At 31 August 2021</b>	<b>3,278</b>	<b>707</b>	<b>493</b>	<b>4,476</b>
<b>Net book value</b>				
<b>At 31 August 2021</b>	<b>-</b>	<b>333</b>	<b>50</b>	<b>383</b>
At 1 September 2020	-	196	125	321

## 10. Charity investment in trading subsidiaries

Cost and net book value	Subsidiary undertakings
	£
At 31 August 2020 and 2021	1

	Country of incorporation	% held	Activity
<b>Teach First Trading Limited</b> 1 Ordinary share of £1 each	England	100	Sponsorships
<b>Teach First Initial Teacher Development Limited</b> Limited by guarantee	England	100	-

Voluntary income from Corporates, Trusts and Foundations and individuals includes donations and income from supporters who license the Teach First brand. This non-primary purpose trading is recognised through the wholly-owned trading subsidiary Teach First Trading Limited (company number: 08159283), which distributes the entirety of its profits to the charity by gift aid. The charity owns the entire share capital of the company of 1 share at £1.

A summary of the trading results of Teach First Trading Limited is shown below:

	2021	2020
	£'000	£'000
Turnover	324	371
Cost of sales and administration costs	(56)	(65)
<b>Net profit</b>	<b>268</b>	<b>306</b>
Tax on profit	-	-
<b>Profit for the financial year</b>	<b>268</b>	<b>306</b>
<b>The assets and liabilities of the subsidiary were:</b>		
Current assets	524	324
Current liabilities	(524)	(324)
<b>Retained in Subsidiary</b>	<b>-</b>	<b>-</b>

Teach First Initial Teacher Development Limited (company number: 08331526) was dormant in the year. It was struck off the register of companies in January 2022. It had supported our teachers through their first year of teaching to achieve Newly Qualified Teacher status; in collaboration with schools and university partners, the work was funded by a contract awarded by the National College for Teaching and Leadership in place until 2016/17. This activity and related contract are now delivered by the parent company, Teach First.

## 11. Debtors

	Consolidated 2021	Charity 2021	Consolidated 2020	Charity 2020
	£'000	£'000	£'000	£'000
Trade debtors	21,232	21,028	22,024	21,902
Accrued income	5,618	5,614	1,496	1,496
Prepayments	894	894	639	639
Intercompany debtors	-	337	-	318
<b>Total</b>	<b>27,744</b>	<b>27,873</b>	<b>24,159</b>	<b>24,355</b>

Accrued Income includes the value of unbilled work performed against Government contracts. The increase reflects changes in the invoicing arrangements across a range of our programmes.

## 12. Creditors

	Consolidated 2021	Charity 2021	Consolidated 2020	Charity 2020
	£'000	£'000	£'000	£'000
<b>Creditors: amounts falling due within one year</b>				
Trade creditors	2,326	2,326	3,020	3,020
Other creditors	269	269	210	210
Accruals	6,658	6,652	3,799	3,794
Taxation and social security costs	6,418	6,418	7,168	7,168
Deferred income (see i)	24,213	24,032	22,032	22,032
Rent provision	552	552	921	921
<b>Total</b>	<b>40,436</b>	<b>40,249</b>	<b>37,150</b>	<b>37,145</b>

### I. DEFERRED INCOME

Consolidated	Brought forward	Received	Recognised	Carried forward
	£'000	£'000	£'000	£'000
<b>Analysis of movements</b>				
School fees	16,052	16,682	(16,761)	15,973
Initial Teacher Training and other Government contracts	4,347	41,894	(39,355)	6,886
Other income	1,633	538	(817)	1,354
<b>Total</b>	<b>22,032</b>	<b>59,114</b>	<b>(56,933)</b>	<b>24,213</b>

### School fees

Some of our schools' fees for trainee teachers are billed in advance. This income is recognised upon achievement of specific milestones.

### Initial Teacher Training and other Government contracts

This represents contractual income relating to future periods, which is recognised on achievement of specific milestones.

### Other income

This represents voluntary income relating to future periods, which is recognised on achievement of specific milestones and after agreement with the donor.

Charity	Brought forward	Net invoiced	Recognised	Carried forward
	£'000	£'000	£'000	£'000
<b>Analysis of movements</b>				
School fees	16,052	16,682	(16,761)	15,973
Initial Teacher Training and other Government contracts	4,347	41,894	(39,355)	6,886
Other income	1,633	357	(817)	1,173
<b>Total</b>	<b>22,032</b>	<b>58,933</b>	<b>(56,933)</b>	<b>24,032</b>

## 13. Consolidated and Charity Provisions

	Brought forward	Provided in the year	Used in the year	Carried forward
	£'000	£'000	£'000	£'000
<b>Analysis of movements</b>				
Dilapidations	672	18	-	690
Restructuring provision	67	8	(43)	32
<b>Total</b>	<b>739</b>	<b>26</b>	<b>(43)</b>	<b>722</b>

### Dilapidations

Dilapidation costs expected to be payable on the termination of the lease of Teach First's London office in 2026.

### Restructuring

The provision is in respect of redundancy costs expected to be payable in 2021/22.

## 14. Analysis of charitable funds at 31 August 2021

Consolidated	Brought forward	Incoming resources	Resources expended	Carried forward
	£'000	£'000	£'000	£'000
<b>Restricted funds</b>				
Teacher trainee development	86	351	(347)	90
Leadership programmes, networks and other activities	241	2,839	(2,848)	232
<b>Total restricted funds</b>	<b>327</b>	<b>3,190</b>	<b>(3,195)</b>	<b>322</b>
Unrestricted funds	11,433	66,829	(66,568)	11,694
<b>Total</b>	<b>11,760</b>	<b>70,019</b>	<b>(69,763)</b>	<b>12,016</b>

Charity	Brought forward	Incoming resources	Resources expended	Carried forward
	£'000	£'000	£'000	£'000
<b>Restricted funds</b>				
Teacher trainee development	86	351	(347)	90
Leadership programmes, networks and other activities	241	2,839	(2,848)	232
<b>Total restricted funds</b>	<b>327</b>	<b>3,190</b>	<b>(3,195)</b>	<b>322</b>
Unrestricted funds	11,433	66,772	(66,511)	11,694
<b>Total</b>	<b>11,760</b>	<b>69,962</b>	<b>(69,706)</b>	<b>12,016</b>

### Teacher trainee development

Funds that are specifically restricted by donors towards our Training Programme, including supporting additional activities to ensure we run a high-quality programme.

### Leadership programmes, networks and other activities

This restricted fund includes networks to support our alumni groups in order that they continue to be advocates for our mission. The carry forward funds are restricted to our National Professional Qualification programmes, aimed at supporting middle and senior leaders.

### Unrestricted

Unrestricted funds are received from a range of donors and supporters.

## 15. Analysis of net assets between charity funds

Consolidated	General unrestricted funds	Restricted funds	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Fixed assets	383	-	383	321
Debtors	27,744	-	27,744	24,159
Cash in bank and in hand	24,725	322	25,047	25,169
Creditors: amounts falling due within one year	(40,436)	-	(40,436)	(37,150)
<b>Total</b>	<b>12,416</b>	<b>322</b>	<b>12,738</b>	<b>12,499</b>
Provisions	(722)	-	(722)	(739)
<b>Total funds carried forward</b>	<b>11,694</b>	<b>322</b>	<b>12,016</b>	<b>11,760</b>

Charity	General unrestricted funds	Restricted funds	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Fixed assets	383	-	383	321
Debtors	27,873	-	27,873	24,355
Cash in bank and in hand	24,409	322	24,731	24,968
Creditors: amounts falling due within one year	(40,249)	-	(40,249)	(37,145)
<b>Total</b>	<b>12,416</b>	<b>322</b>	<b>12,738</b>	<b>12,499</b>
Provisions	(722)	-	(722)	(739)
<b>Total funds carried forward</b>	<b>11,694</b>	<b>322</b>	<b>12,016</b>	<b>11,760</b>

Free reserves, which are defined as General Unrestricted Reserves excluding fixed assets, were £11.3m at 31 August 2021 (2020: £11.1m).

## 16. Financial commitments

There were capital commitments of £nil existing at 31 August 2021 (31 August 2020: £nil).

The company was committed to making the following total future payments in respect of operating leases:

	2021	2020
	£'000	£'000
<b>Leases which expire:</b>		
Within one year	1,223	1,065
Within two to five years	3,349	3,477
Over five years	-	288
<b>Total</b>	<b>4,572</b>	<b>4,830</b>

## 17. Related party transactions

The charity has taken advantage of the exemption in FRS102 "Related Party Disclosures" from disclosing transactions with other members of the group. No member of the Board of Trustees received any remuneration during the year. Trustees were reimbursed £nil for travel and subsistence costs (2020: £nil).

## 18. Comparative Consolidated Statement of Financial Activities

	Note	Unrestricted funds	Restricted funds	Total 2020
		£'000	£'000	£'000
Charitable activities	2	49,243	-	49,243
Donations	2	4,314	2,777	7,091
Investments		149	-	149
Income from other trading activities		43	-	43
<b>Total Income</b>		<b>53,749</b>	<b>2,777</b>	<b>56,526</b>
Cost of raising funds	3	1,960	-	1,960
Expenditure on charitable activities	3	51,518	2,955	54,473
<b>Total Expenditure</b>		<b>53,478</b>	<b>2,955</b>	<b>56,433</b>
<b>Net result for the year</b>	5	271	(178)	93
Total funds brought forward at 1 September	14	11,162	505	11,667
<b>Total funds carried forward at 31 August</b>	14	<b>11,433</b>	<b>327</b>	<b>11,760</b>

## 19. Charity Statement of Financial Activities

For the year ended 31 August 2021	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£'000	£'000	£'000	£'000
<b>Income:</b>				
Charitable activities	61,232	-	61,232	49,243
Donations	4,790	3,190	7,980	6,721
Investments	65	-	65	149
Income from other activities	418	-	418	42
Income from subsidiaries	268	-	268	306
<b>TOTAL INCOME</b>	<b>66,773</b>	<b>3,190</b>	<b>69,963</b>	<b>56,461</b>
<b>Expenditure:</b>				
Cost of Raising funds	2,479	-	2,479	1,895
Expenditure on Charitable activities	64,033	3,195	67,228	54,473
<b>TOTAL EXPENDITURE</b>	<b>66,512</b>	<b>3,195</b>	<b>69,707</b>	<b>56,368</b>
Net expenditure for the year	261	(5)	256	93
<b>Reconciliation of funds</b>				
Total funds brought forward	11,433	327	11,760	11,667
Total funds carried forward at 31 August 2021	<b>11,694</b>	<b>322</b>	<b>12,016</b>	<b>11,760</b>

## 20. Post balance sheet events

There have been no material post-balance sheet events.

# Thank you

For those who have supported Teach First in our financial year to August 2021.

- Accenture LLP
- AKO Foundation
- The Alasol Foundation
- Amazon UK
- Ashurst LLP
- Tom Attwood, HG Capital
- Barclays plc
- James and Sophie Bardrick
- Betty & Taylors Ltd
- Bloomberg UK Ltd
- Sally Boyle
- The Liz and Terry Bramall Foundation
- Geoffrey Bibby
- Kurt Bjorkland, the Equinox Charitable Trust
- BP plc
- BUPA UK
- Burberry Plc
- Capita Plc
- Capital Group
- Caroline Carr
- The Careers & Enterprise Company Ltd
- Citigroup Inc. (E for Education)
- Deloitte LLP
- DHL UK Foundation
- Direct Line Insurance Group Plc
- Drax Group Plc
- Alison Duncan
- Fruugo.com Ltd
- Garfield Weston Foundation
- Goldman Sachs International
- Mattias Heber
- Dame Vivian Hunt
- Huo Family Foundation (UK) Ltd
- IG Group Plc
- Independent Franchise Partners LLP
- Institute of Engineering & Technology
- The John Laing Charitable Trust
- Natalie Livingstone
- Lone Pine Foundation
- The Lord Mayor's Appeal Charity
- Marshall Wace
- Richard Meddings
- Northern Powergrid Plc
- Bob Noyen
- Orsted UK Ltd
- Porticus UK
- PwC LLP
- Quadrature Capital Ltd
- Rolls Royce Plc
- Salesforce.org Ltd
- Schroders Investment Management Plc
- Shell International Ltd
- Siemens Plc
- Sofina Foundation

- Steve Morgan Foundation
- Sunbelt Rentals Ltd
- The Swire Charitable Trust
- Temasek Holding Ltd
- Unilever Plc
- Waterloo Foundation
- The Worshipful Company of Butchers
- The Worshipful Company of Innholders
- Zurich Community Trust (UK) Ltd

We would also like to thank all our supporters who wish to remain anonymous.

## University partners

We would like to thank our university partners for playing a vital role in the delivery of our Training Programme and enabling our trainees to maximise their impact on the lives of children and young people from disadvantaged communities in England and Wales.

- Bath Spa University
- Birmingham City University
- Canterbury Christ Church University
- Cardiff Metropolitan University
- Northumbria University
- Sheffield Hallam University
- UCL Institute of Education
- University of Manchester

## Governmental partners

We would like to thank the Department for Education, the Welsh Government and Rhondda Cynon Taff CBC for their funding and support during the year

## Donations in kind

We would like to thank Amazon UK, Boston Consulting Group, Capita, DHL UK Foundation, Drax, Janus Henderson, Salesforce.com and Quadrature who supported our work with gifts-in-kind or pro-bono support including legal support, consultancy support and IT software licences. Thank you also to all the organisations who donated items or services to our events.

## Volunteers

We would like to thank the hundreds of volunteers who gave their time to support our work throughout the year. Their commitment and enthusiasm enabled us to help even more disadvantaged young people around England and Wales.

## Support of our campaign events and policy reports

Over the course of the year we have hosted a series of events, and policy reports, which wouldn't have been possible without the generous support of our sponsors and event partners. These have included:

### Run the River

- Headline Sponsor – Citi
- Event Partner – IG Group

**[teachfirst.org.uk](https://www.teachfirst.org.uk)**

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