



Teach First

# Annual report and accounts 2023/24

# Contents

Introduction.....	3
Welcome from our Chair and CEO.....	4
Strategic report .....	5
Objectives and activities .....	5
Achievements and performance .....	10
Plans for the future .....	13
Financial review.....	14
Structure, governance and management.....	19
Reference and administrative details.....	27
Independent Auditors report .....	29
Consolidated statement of financial activities.....	34
Consolidated and charity balance sheets .....	35
Consolidated statement of cash flows .....	36
Notes to the financial statements .....	38



# Introduction

This year we have decided to put even more emphasis on the impact our activities are having in the communities we work with by publishing a separate Annual Impact Report. If you want to find out more about our impact and reach, please visit our website [teachfirst.org.uk](https://teachfirst.org.uk)

In this report we report on our performance in 2023/24, meeting the requirements that are set out within the Charities Statement of Recommended Practice (SORP).

We hope that, by reading this report you will be given:

- an explanation of what our Charity is set up to do, how we are going about it, and what we have achieved.
- a fair, balanced and understandable overview of our structure, legal purposes, objectives, activities, financial performance, and financial position.



# Welcome from our Chair and CEO

## Welcome to the Teach First Annual Report and Accounts for the year to August 2024.

For over twenty years, Teach First has been striving to break the link between poverty and educational outcomes and give every child the opportunities they need to thrive. From an initial cohort of 186 trainees teaching in 45 classrooms, we now support over 26,500 teachers and school leaders across all our programmes to transform the life chances of young people across 5,500 schools. To amplify and embed this work, we draw upon a community of over 20,000 ambassadors (alumni of our programmes), who work across a wide range of sectors to tackle the deep-seated inequalities that persist in disadvantaged communities and bring about lasting, meaningful change.

Our mission is as challenging as it ever was. Pupils from disadvantaged backgrounds start school an average of 4.6 months behind their peers in attainment, a gap which has widened to 19 months by the time they take their GCSEs. One in four of them achieve a grade 5 (strong pass) or above in GCSE Maths and English compared to one in two of their peers. We know that fantastic teachers are game-changing for these children, but nationally we face a crisis in teacher recruitment. At Teach First we work tirelessly to convince talented graduates to seize the opportunity to make a difference through teaching: last year we recruited nearly 1,800 teachers to begin Initial Teacher Training via one of our programmes.

Amongst the many successes of the past 12 months, we are immensely proud of our Outstanding Ofsted rating for our National Professional Qualifications (NPQs), to add to the Outstanding ratings for our High Potential Initial Teacher Training Programme and our Early Career Framework provision, and in particular the acknowledgement that tackling disadvantage is at the heart of this work.

None of our work would be possible without our generous supporters, who range from private individuals to trusts, foundations and businesses across the country. They help us to innovate, improve, build community and reach the hardest to access; and many of them turned out for us this year to Run the River, a joyful five- or ten-kilometre race through the heart of London to celebrate and raise funds for our activities. In particular, I'd like to thank AKO Foundation, Citi, Garfield Weston Foundation, Huo Family Foundation and XTX Markets for their contributions and support of Teach First in 2023/24.

I would like to thank the Trustees for the contributions of time, expertise and money during the year. I want to make special mention of Sarah Bibi, who reached the end of her term on the Trustee Board and Caroline Carr, whose term on the Trustee Board ended on 30 September 2024, for their thoughtfulness, challenge and valued service; and of Helen Weir, who joined us in September to chair our Finance, Risk and Audit Committee. Our Trustees bring vast and varied experience to their work and strengthen our impact.

Finally, I would like to offer our heartfelt thanks to our Patron, His Majesty King Charles III; our Vice Patron, Dame Julia Cleverdon DCVO CBE; and our founder, Brett Wigdortz, along with all our partners, ambassadors and our talented staff for all they do to deliver our mission.

**Dame Vivian Hunt DBE, Chair**

**Russell Hobby CBE, CEO**

# Strategic report

- OBJECTIVES AND ACTIVITIES
- ACHIEVEMENTS AND PERFORMANCE
- PLANS FOR THE FUTURE

## Objectives and activities

### OUR AIMS

At Teach First we have a simple yet powerful vision: that wherever they are and whatever their background, 'every child fulfils their potential'.

To realise this, we have two aims:

1. To narrow the attainment gap for disadvantaged children, with a particular focus on those facing persistent disadvantage.
2. To narrow the destination gap for disadvantaged young adults in sustained employment, apprenticeship, and training, with a similar focus on those facing persistent disadvantage.

### PUBLIC BENEFIT

All our activities are undertaken to further our charitable objects, which are to advance the education of the public. In working towards this vision, we also envisage having a positive impact on wider society. Our Trustees have a duty to consider public benefit guidance published by the Charity Commission and have had regard to this guidance. 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.

### THE ISSUES WE TACKLE

For over twenty years we have been working on behalf of children to ensure they can enjoy a successful future. Too many children are still missing out on the opportunities they need to thrive in school and in life.

Pupils from disadvantaged backgrounds, such as pupils eligible for free school meals:

- Start school an average of 4.6 months behind their peers in attainment, increasing to 19 months by GCSE;
- Are three times less likely to be in education, employment or work in the year following their GCSEs; and
- Are almost twice less likely to progress to university compared to their non-disadvantaged peers.

One in four disadvantaged pupils achieved grade 5 (strong pass) or above in GCSE English and Maths, compared to one in two of their non-disadvantaged peers. The differences in attainment between disadvantaged pupils and their peers at GCSEs has showed little change since 2020.

## THE CHANGES WE WANT TO MAKE

Schools are at the heart of their communities and a unique agent of change for many children. When young people from low-income backgrounds attend a great school, they can achieve great things. We support schools in the most challenging areas to be brilliant so that all children get a great education.

To help schools, our ambitions are to:

- Support the transformation of schools in disadvantaged communities;
- Achieve systemic and policy changes to benefit disadvantaged children and their schools;
- Build a more diverse education system which reflects the communities it serves; and
- Bring people together to transform society to benefit disadvantaged children and their schools.

## HOW THE ACHIEVEMENT OF OUR AIMS WILL FURTHER OUR CHARITABLE PURPOSE

Our charitable objects, as set out in our governing documents, are to advance the education of the public. Achieving our aims of narrowing the attainment and destination gap of the most disadvantaged children furthers this purpose.





## OUR STRATEGY 2023-2030



### OUR VISION

**Every child fulfils their potential**

### OUR IMPACT GOALS

- 1 Narrow the attainment gap for disadvantaged children, with a particular focus on those facing persistent disadvantage
- 2 Narrow the destination gap for disadvantaged young adults in sustained employment, apprenticeship and training, with a particular focus on those facing persistent disadvantage

### THE OUTCOMES WE WANT TO SEE

Supporting the transformation of schools in disadvantaged communities

Systemic and policy changes to benefit disadvantaged children and their schools

A more diverse education system which reflects the communities it serves

People working together to transform society to benefit disadvantaged children and their schools

### THE PILLARS AND INPUTS OF OUR 2030 STRATEGY

#### GREAT TEACHERS

Develop and deliver our transformational training programme to create 10,000 new teachers

Ensure there is a supply of teachers across the country by launching and scaling our SCITT to create a further 4,000 teachers

Develop nearly 25,000 early career teachers both directly and in partnership to support our reach and impact

#### BRILLIANT LEADERS

Deliver 35,000 NPQs to specialist teachers and leaders across our schools

Coach and support nearly 400 whole school leadership teams to support sustainable improvement

Support 3,500 in-school careers leaders to create and embed successful careers strategies for their pupils

#### POWERFUL MOVEMENT

We will reach a total ambassador population of 38,000

More than 6,000 ambassadors will be in school leadership positions

We will grow to a network of 6,000 schools and 80 delivery partners

#### STRONG POLICY

Influence a significant increase in funding for schools in low-income areas

Push the needs of pupils and teachers in these schools up the political agenda through media and campaign activity

Support our community of ambassadors and teachers to engage with campaigns so that policy reflects the needs of pupils growing up in poverty

### WORKING CLOSELY WITH ALIGNED PEOPLE AND ORGANISATIONS TO HELP ACHIEVE OUR VISION

High-potential future teachers

Schools and existing teachers

Teach First ambassadors

Corporate supporters

Individual donors

Policymakers

## THE CRITERIA WE USE TO ASSESS OUR SUCCESS

The impact of our work is the most important measure of our success. Our reach and focus is substantial, with our programme members reaching 1.5 million pupils – nearly one in five across all state-funded schools in England, including nearly one-third of all secondary pupils eligible for Free School Meals (FSM). By focusing our efforts on supporting teachers and leaders in the most disadvantaged communities, we ensure our efforts have the greatest impact possible.

To prioritise our work and measure our progress, we set annual goals for all of our activities, and monitor KPIs against these, including all of our core programmes. We track programme cohort size, retention and satisfaction, as well as the nature of the schools where we are operating. We know that our ambassador community drives considerable impact too; we also track our Ambassador engagement and network activity to help us to measure this.

We report on our successes in the achievements and performance section below. You can also find out more about the impact of our work by reading our Annual Impact Report, which is published on our website alongside this report.

## OUR SIGNIFICANT ACTIVITIES AND HOW THESE CONTRIBUTE TO OUR AIMS AND OBJECTIVES

Within the four pillars of our strategy above, we carry out the following significant activities:

### GREAT TEACHERS

We recruit, train, and develop teachers across the country, with a particular focus on schools in disadvantaged communities which can often face acute recruitment and retention challenges. Through our flagship High Potential Initial Teacher Training Programme (HPITT, referred to throughout this report as the “Training Programme”), new School-Centred Initial Teacher Training (SCITT) programme and the Early Career Framework (ECF) provision, we’re recruiting and developing thousands of high-quality teachers. A summary of each of our key teacher training and development programmes is below:

- **Training Programme:** a unique training and leadership development programme which recruits graduates who wouldn’t otherwise have entered teaching and places them in the schools which need them most, transforming outcomes for pupils and creating leaders who are committed to delivering social change.
- **SCITT:** we provide expert curriculum, services and support to enable others to train great teachers and leaders at scale. This is a programme designed to ensure that all local areas have a pipeline of inspirational teachers and school leaders who will enable the most disadvantaged pupils to succeed.
- **ECF:** a two-year programme of training, development and mentoring that ensures early career teachers have the knowledge and skills to teach effectively, supporting impact and retention.
- **Subject Knowledge Enhancement (SKE):** a programme focused on Physics, Biology, Chemistry, Maths and Computing that aims to maximise teacher recruitment by ensuring trainees can be successful in specialisms where they might have limited subject expertise.

## BRILLANT LEADERS

Strong leadership is critical to the delivery of systemic, sustainable change in outcomes for children from disadvantaged communities. Our leadership programmes, including our National Professional Qualifications (NPQ), Careers Leader, and Leading Together programmes, support and empower thousands of leaders to create lasting change in their communities:

- **NPQ:** nationally-recognised school leadership accreditations that support aspiring and new leaders from early in their career right through to Executive Leadership to build a sustainable leadership pipeline.
- **Careers Leader programme:** a programme that enables schools to transform their careers education provision by supporting Careers Leaders to build their knowledge and develop a long-term careers strategy for their school.
- **Leading Together:** targeting schools not yet Ofsted rated as “good” and, over two years, working with their leadership teams to implement and sustain improvements, through individual and group coaching from an experienced former headteacher, and training module input and support from educational leadership experts.

We also support leaders to develop through coaching programmes and summer projects, which we deliver in partnership with our corporate supporters. These initiatives help expand the skills and aspirations of current and future school leaders.

## POWERFUL MOVEMENT

We work with delivery partners – Teaching School Hubs, Multi-Academy Trusts and schools; our ambassador community of over 20,000 former Training Programme members; and participants in other Teach First direct programmes to address inequality in classrooms, inform and amplify our work, and collectively create the society where every child can fulfil their potential.

Members of our 20,000 strong ambassador community fight to end educational inequality, driving change in schools where it is needed most, by volunteering their time and expertise, supporting us as funders, and through sustained engagement with our mission as they progress into positions of influence – whether in education, government, the charity sector or commercial world.

Today, one in every five secondary schools in England’s most disadvantaged communities has an ambassador on its senior leadership team, and one in every twenty is led by an ambassador headteacher. In total there are currently more than 100 ambassador headteachers across over 60 secondary schools and a range of primary, all-through, and post-16 settings, collectively shaping the futures of over 80,000 pupils.

## STRONG POLICY

We work with government, policy makers and those in positions of influence to ensure that schools have the right conditions to succeed (for example, on issues such as teacher pay, school funding, policies on accountability), for the ultimate benefit of their pupils; and we advocate for education as the most powerful agent of lasting social change.

# Achievements and performance

## SIGNIFICANT CHARITABLE ACTIVITIES AND ACHIEVEMENTS

The targets we set ourselves every year are highly ambitious and reflect the scale of the challenge in giving children with the fewest opportunities access to a great education.

Below are the key significant activities we have undertaken this year under the four pillars of our strategy:

### GREAT TEACHERS

Last year, we onboarded 1,419 new teachers across our Initial Teacher Training programmes. We supported over 8,000 early career teachers through our ECF programme, meaning we have supported over 37,000 teachers on this programme since 2020. Last year, these teachers were responsible for almost one million pupils across every region in England.

- **Training Programme:** we recruited 1,335 trainees onto the 2023 cohort. The year before that we recruited 1,394, and during 2023/24 we have recruited 1,415 trainees for the 2024 cohort. This represents a significant achievement in the context of the recruitment challenges faced by the sector. Cohort size is only part of the picture: we have been successful both in retaining trainees and delivering a quality programme, retaining 82% of our 2023 cohort and achieving 86% satisfaction. We sustained our ranking in the Times Top 100 graduate employers as the fifteenth most prestigious graduate programme. These results position us as a unique source of talent and future leaders for change.

Additional achievements in this domain include:

- Significantly diversifying our cohort such that trainees who began training in September 2024, 37% identified as belonging to minority ethnic groups (compared to an average of 25% on other ITT routes) and 28% were eligible for free school meals when at school themselves.
- Increasing the proportion of trainees from Russell Group universities compared to the previous year and sustaining the proportion of trainees with a first-class degree despite a decline in the number of firsts awarded.
- According to independent evaluation, three years after completing training, our trainees are three times more likely to be in senior leadership positions than other school-based training routes, and 12 times more likely than university-based routes.
- The ITT components of the Training Programme are rated Outstanding by Ofsted.
- **SCITT:** We have recruited 385 trainees to begin their training in September 2024. This represents a massive expansion of our pilot year in 2023/24, for which we recruited 82 trainees. We are pleased with our performance on retention and satisfaction of 87% for both, which is a solid start for a pilot year. We are in a strong position to continue to grow our SCITT in the coming years.
- **ECF:** We recruited 3,227 trainees this year, outperforming last year's retention and satisfaction targets of 75% and 80%, achieving 83% and 83% respectively. We also exceeded our own targets and national benchmarks for reaching schools in areas of sparsity or high pupil premium. The pupil premium is a grant given by the government to schools in England to narrow the attainment gap for the most disadvantaged children. Our ECF programme is rated Outstanding by Ofsted.
- **SKE:** Following a number of years of delivery, we have decided to discontinue offering this programme from 2024/25 on the basis of a reduction in the funding available. Last year we met all our targets and recruited 113 trainees, against a target of 111. We fell short in retention, achieving 84% against a target of 94%.

## BRILLANT LEADERS

During the year we supported over 5,000 school leaders to develop and hone their leadership skills, in schools that are serving over 750,000 pupils. Our NPQ offer received an Outstanding Ofsted rating in May – making us the only provider now able to claim Outstanding ratings in all three of our core programmes.

- **Leading Together:** Our Leading Together programme continues to deliver great impact for schools. We hit our recruitment target of 30 schools; had a satisfaction rate of 93%, which exceeded our target; and were within 1% of our retention target of 95%. Two schools on this programme have gone from Special Measures to Outstanding within a single inspection cycle.
- **NPQ:** We exceeded our recruitment target of 4,925 achieving 5,042; exceeded our retention target of 85%, achieving 97%; and achieved 98% satisfaction against a target of 80%. These results are also both improvements on previous years.
- **Careers Leader programme:** We recruited 98 leaders for the 2024 cohort. At 66%, our retention rate fell short of our 90% target. There are capacity issues for many leaders in schools and we need to evaluate the programme's impact on workload. Despite this, we are proud to report a 98% satisfaction rate, exceeding our target of 90%. We also piloted a version of the programme for primary schools.

## POWERFUL MOVEMENT

In the past year, we have grown our partnerships from 34 to 77 delivery partners to deliver our ECF, SCITT and NPQ programmes. We have strengthened our relationships with our partners. Ofsted observed that, through these collaborations, we amplify our reach and empower the most disadvantaged communities; and by building networks of highly skilled professionals, we drive sustainable change in schools and trusts.

The total number of Teach First ambassadors at the end of August increased to almost 20,000 as the 2022 cohort completed the Training Programme. We were delighted to achieve a conversion rate of 89% – the percentage of the cohort who opt into active participation and connection with the movement. Our ambassador community includes 3,000 school leaders and 150 current or former headteachers, with 23 in CEO or leadership roles in multi-academy trusts. There are now over 280 ambassadors working in government, 200 leading in the charity sector, and 30 leading social enterprises.

## STRONG POLICY

We continue to have a significant influence on policy and are respected by policy-makers from across the political spectrum. Our 20th Anniversary Parliamentary Reception took place in Parliament in November 2023, where we brought together key policymakers and stakeholders to celebrate the remarkable contribution Teach First and our teachers have made since 2003. Our policy successes for 2023/24 include:

- In May 2024, ahead of the General Election, we launched 'Ending educational inequality', our Election Manifesto which set out how an incoming government could create an education system that gives every child the chance to fulfil their potential.
- Publishing Tomorrow's Teachers, a comprehensive study of Gen Z's attitudes towards teaching, along with a roadmap of how government can attract more graduates into the profession.
- Convening our influential ambassadors in Policy community by hosting an event in Westminster, attended by around 70 ambassadors now working in policy roles.
- Contributing to government's work on SEND provision.

## OUR FUNDRAISING ACTIVITIES AGAINST THE OBJECTIVES WE SET

In 2023/24 we realized £6.7m against a fundraising target of £8.5m. Income was down across all three of our main voluntary income streams – philanthropy, trusts and corporate partnerships – reflecting a more turbulent external environment as well as the natural conclusion of several long-term partnerships. During the year we secured two new million-pound partners in The Garfield Weston Foundation and an anonymous donor as well as securing a further £400k in new business from corporate partners.



## Plans for the future

### OUR PLANS

Details of our strategy to 2030 can be found at [teachfirst.org.uk/strategy](https://teachfirst.org.uk/strategy). For the forthcoming reporting period, some of our additional key priorities will include:

- **Initial Teacher Training:** As we approach a potential retender for our core Training Programme contract, we are continuing to develop our vision for a 'change-making' HPITT route, as well as further expanding our SCITT and exploring new potential delivery models to increase the reach and scale of our current ITT programmes and their impact. In particular, we are investigating teacher degree apprenticeships as a potential avenue for bringing new people into the teaching workforce.
- **ECF:** We are delighted to have been appointed as a lead provider for ECF for a further two years and will be working with our delivery partners to recruit and support early career teachers through this programme.
- **Leadership:** Alongside ongoing delivery of the NPQ programme, we are grateful to have secured voluntary income to support the development of new leadership programmes in 2024/25.
- **Fundraising:** We have undertaken a full-scale review of our fundraising activities and set a three-year plan for steady growth in line with our wider strategic objectives. We have set up a Development Board to support fundraising efforts.
- **Embedding new ways of working:** We have been through a period of change to our structures and ways of working, which we will be actively embedding in 2024/25.

### HOW LESSONS LEARNED INFORMED OUR PLANS

During the current reporting period, we identified and learnt the following lessons which have informed our plans going forwards:

- **ITT:** We have learned operational lessons from our SCITT pilot, which we will use to smooth processes in 2024/25 to enable us to further scale this programme in future years. We have also been able to integrate learning from our Training Programme recruitment round, which is informing our approach for recruiting to our 2025 cohort.
- **Fundraising:** Within our full-scale review of fundraising activity, we have streamlined the structure of our fundraising team, which has enabled an expansion into wider sectors in our corporate approach; a focus on long-term strategic partnerships over transactional fundraising; and increased investment in our philanthropy and trusts and foundations activity. We have also set more conservative growth targets to allow for a focus on building strong relationships with our partners.

### HOW DECISIONS HAVE BEEN REACHED ABOUT ALLOCATING RESOURCES TO THEIR BEST EFFECT

In making decisions about how to allocate resources to their best effect for next year, the Executive and Trustees have considered the following factors:

- Teach First's current financial position and level of reserves;
- Progress made to date against the strategy; and
- The internal and external opportunities and risks that Teach First faces.

# Financial review

Within this section of our report, we will explain:

- Our financial position and the effect of any significant events upon it;
- Our principal sources of funding and how these are used to support our key objectives;
- Our reserves policy;
- Factors likely to affect our future financial performance; and
- Our principal risks and how we manage these.

## Our financial position and the effect of any significant events on it

In 2023/24 we delivered a small operating deficit of £0.2m (compared with an operating surplus of £2.0m in 2022/23), but an overall deficit of £3.6m inclusive of investments and other one-off costs (compared to a £1.4m deficit in 2022/23).

Our underlying financial position has been challenged by increased costs and inflationary pressures, coupled with decline in income on both contractual programmes and voluntary income. Our pay costs reduced in the second half of the year following restructuring, which enabled us to reduce our cost-base to offset the inflationary pressures. We are continuing to review and reduce our cost-base during 2024/25. These measures are coupled with working with our funding partners to optimise our commercial contracts where appropriate, and implementing a new fundraising strategy to grow our voluntary income. These plans will enable us to grow our reserves and give us firm foundations and headroom to invest in continuing to deliver impact in the coming years.

	2024	2023	CHANGE
	£M	£M	£M
Total income	58.1	63.5	(5.3)
Operating expenditure	(58.3)	(61.5)	3.2
Operating surplus/(deficit)	(0.2)	2.0	(2.2)
Investments/ non-recurring costs	(3.4)	(3.4)	–
TOTAL DEFICIT FOR YEAR	(3.6)	(1.4)	(2.2)

We continue to effectively manage our cash-based reserves. Whilst cash balances have reduced as a result of the one-off measures described above, we continue to hold sufficient cash to fund day-to-day operations.

## Our principal sources of funding and how these are used to support our key objectives

Our Training Programme generated 61% of our total income (2023: 63%). It is funded by the Department for Education (DfE) and through fees charged to schools for the placement of teachers. There was a decrease in income this year, reflecting the lower cohort size.

The decline in our Training Programme income was partially mitigated by an expansion of our support for teachers from early career to executive headship, via the Early Career Framework (ECF) and National Professional Qualification (NPQ) programmes, where we saw an overall growth of 2%. We achieved this by increasing the number of our delivery partners and supporting them effectively.

Our voluntary income declined by £1.0m compared to the previous financial year (a 13% decline). We have undertaken a full review of our fundraising strategy to ensure that we are in a position to increase the contribution made by voluntary income in future years, supported by a newly established Teach First Development Board.

Our overall operating expenditure declined in 2023/24 compared to the previous year. Whilst costs were closely managed, there was a planned increase to training delivery spend as we returned to largely face-to-face training following trainee feedback, supporting both the trainee and staff experience. This increase was more than offset by a decrease in university subcontractor and delivery partner costs due to lower number of participants, and also by in-year restructuring.

This year also saw a significant increases in the costs of facilities, energy and buildings insurance, with costs rising over 22% year-on-year. Following a review of property occupancy, we made the decision to reduce our lease holdings, most significantly in our London office, where we have halved our property footprint.

Our in-year cost reduction programme resulted in restructuring costs of £1.7m. We anticipate further restructuring costs in 2024/25. We invested £1.3m in the development of our SCITT programme which had its pilot year in 2023/24 and has grown significantly since. And we invested £0.3m in digital customer experience this year. We will continue to develop our digital channels and continuously improve our service offers to partners, trainees and funders.

	2024	2023	CHANGE
	£M	£M	£M
<b>Investment in:</b>			
Customer experience and digital	0.2	2.2	(1.9)
New pilot programmes	1.5	0.8	0.7
Restructure costs	1.7	0.4	1.3
<b>TOTAL INVESTMENTS/ NON-RECURRING COSTS</b>	<b>3.4</b>	<b>3.4</b>	<b>–</b>

## Our reserves policy

Our 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; and
- 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 2023/24, the Trustees have approved a range for free reserves of between £10.0m and £15.0m.

As of 31 August 2024, total reserves were £7.5m, with £0.3m being restricted and £0.7m connected to fixed assets, leaving free reserves of £6.4m (2023: £10.6m). The level of reserves is currently below the range set out in our reserves policy, and we have implemented measures early in 2024/25 with a view to building our reserves back to our minimum level by the end of our 2025/26 financial year. We did not hold any investments in financial instruments during the financial year.

## Any factors likely to affect our financial performance going forward

Our government contracts are our main source of income and our existing contracts are secure going through 2024/25 and beyond.

Our plan to grow our voluntary income is modest but vital to supporting the continuing delivery of our charitable impact. We continue to work productively with our funding partners, and to monitor our voluntary income performance and pipeline closely, under the guidance of our Development Board.

As with all other charities, we are subject to ongoing external pressures on our cost base, including inflationary pressures and increased staff costs resulting from government taxation changes. During 2024/25 we are making further changes to our operational structure and cost base to ensure that we have a resilient underlying financial position from which to deliver our charitable impact into the future. As a result, we expect to deliver a modest surplus in 2024/25, and will see the full year effect of these changes in 2025/26.

## Our principal risks and how we manage these

We manage risks in accordance with our risk-management policy. The Trustee Board holds overall accountability for ensuring that effective risk management arrangements are in place. It is supported in this role by the Finance, Audit and Risk Committee (FRAC), which reviews risks escalated from the Executive on a quarterly basis.

The Executive Committee has accountability and responsibility for the risk register, which it reviews monthly. All key organisational risks are recorded on a risk register that includes an assessment of 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. Monthly performance reporting against key indicators enables us to identify emerging risks and to track the effectiveness of mitigation measures.

Our current principal risks and their main mitigations are as follows:

## RECRUITMENT, PLACEMENT AND RETENTION

A failure to recruit, place and retain sufficient trainees on our Training Programme would impact on our strategic goals, and could impact on our contractual performance, which would in turn create financial risks for the Charity.

To mitigate these risks, we have put in place new recruitment strategies to maximise recruitment of strong trainees who are most likely to be retained on the Training Programme. These strategies run alongside an increased focus on the quality of experience and support for our trainees to ensure maximum retention.

The Executive receives weekly monitoring of recruitment and placement, and monthly monitoring of programme retention to allow for early identification of issues and appropriate mitigation measures.

## FUNDRAISING

A failure to secure sufficient voluntary income would impact on our financial position, impeding our ability to deliver on our strategic plans and achieve our charitable mission.

To mitigate this, we have put into place a refreshed and risk-adjusted fundraising plan, which identifies where and how we can grow income over the next three years. This development of this plan has been overseen by the Development Board, which also monitors progress against it.

The Executive receives bi-weekly reporting on voluntary income and pipeline, alongside clear quarterly goals and individual targets for both pipeline development and income realisation.

## FINANCIAL RESERVES

Insufficient levels of financial reserves would undermine our ability to weather unexpected large financial shocks and prevent recovery.

While our reserves are currently below the minimum desired level set out in our reserves policy, the continuation of significant government contracts contributes to the mitigation of the risk that this presents. These contractual income streams are subject to variation based on performance, but nonetheless provide a secure minimum level of income which means that the Charity is able to maintain its core operations.

We have a clear and deliverable plan in place to build the Charity's reserves back to a healthier level over the next two years. Our Executive and Trustees maintain close monitoring of the Charity's finances, with a particular focus on income risks, effective cashflow management, and the delivery of our cost-reduction measures.

## GOVERNMENT FUNDING

A failure to retain government funding for our training programmes would challenge our financial sustainability in the near and medium term and impact our ability to achieve our charitable mission at the current scale.

We have a long standing and constructive partnership with the DfE and we are continuing to collaborate closely with them to ensure that we can continue to deliver contracted activity that meets our Charity's objects and the government's policy aims within commercially viable contractual arrangements.

We are also developing new products and growing our other areas of delivery – for example SCITT – to diversify our offer and income streams.

## CYBER-SECURITY

A failure to have effective security measures could lead to a successful cyber-attack, resulting in loss of data or collapse of IT systems which could be financially costly and undermine our reputation with key stakeholders.

To mitigate this, we have put in place:

- Appropriate technical security measures for protecting servers, services and end-user devices;
- Regular security audits for services against security standards, to ensure any defects are addressed;
- Recovery plans setting out processes to be followed in the event of a successful breach; and
- IT policies, procedures and mandatory training for all users.

## SAFEGUARDING

A failure to have in place appropriate safeguards could lead to a child being harmed or neglected. Such an event would be devastating for the Charity, and would undermine the trust and confidence of schools, communities, and funders.

The Charity does all it can to minimise the risk of child safeguarding issues. These measures include:

- Mandatory DBS checks for all trainee teachers and staff;
- Safeguarding policies, procedures and mandatory training for all trainee teachers and staff;
- An Incident Management Framework setting out processes for responding to an incident; and
- Regular reporting to the Child Safeguarding Committee, chaired by the Child Safeguarding Officer and attended by the designated safeguarding Trustees. The Committee met in November 2023 and January 2024 and the designated Safeguarding Trustees met Safeguarding Leads in June, July and August 2024.

# Structure, governance and management

## Governance

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 one new Trustee (Helen Weir), one Trustee retired (Sarah Bibi) and one Trustee subsequently left on 30 September 2024 (Caroline Carr).

The Board of Trustees meets regularly to govern the Charity. This year it held six meetings, including two additional meetings to discuss the Charity's strategic plans.

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 for various specific factors, including:

- The likely consequences of decisions in the long term (as covered in the 'Our principal risks and how we manage these' and 'Our strategy 2023-2030' on pages 16 to 18 and 7 respectively)
- The interests of employees (as covered in the section on equity, diversity and inclusion on page 20)
- 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 'Achievements and performance' on page 10)
- The impact of the Charity's operations on the community and the environment (as covered by the section on 'Environmental reporting' on page 23)
- The desirability of the Charity maintaining a reputation for high standards of business conduct (as covered by the Welcome from our Chair and CEO' on page 4)

## GOVERNANCE STRUCTURE

Our Board of Trustees has five sub-committees, each with clearly designated functions and responsibilities, as follows:

**Finance, Risk and Audit Committee** reviews the finances of Teach First, has oversight of risk management and the relationship with the external auditor, and advises the Board on the effectiveness of Teach First's governance arrangements.

**Education Committee** advises the Board on the Charity's education strategy and takes assurance on the quality and impact of Teach First's activities in this area.

**Nominations Committee** advises the Board on the appointment and tenure of Trustees and on committee membership, and oversees the recruitment and selection of the Chief Executive Officer.

**Digital, Data and Technology Committee** advises the Board on the digital, data and technology strategy and takes assurance on the effectiveness of Teach First's activities in this area.

**Development Board** provides strategic advice on campaign planning, including the development of fundraising goals and their implementation.

## Equity, diversity and inclusion

Our objective is to unlock the potential in all children, not just some. To reflect the communities we serve, we're creating a culture where everyone, from any background, can do their best work.

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. This year, Teach First commissioned an external partner to undertake an EDI Maturity Audit to review its EDI maturity and provide an evidence base to inform an action plan with specific goals and targets.

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, 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. Our six employee-led Affinity Groups have proven to be strong assets to drive internal change, supporting the Charity in navigating EDI topics and bringing together people with the same affinity, creating a safe space for support and to share learning across the organisation.

We believe it is crucial that we reflect the communities we serve, as our decision-making should involve and be held to account by those with the personal experience of the barriers we're here to break down. 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, which we monitor and report on annually to the Board.

## MANAGEMENT STRUCTURE

**Executive Committee** is responsible for the day-to-day management of the Charity, ensuring it is implementing the policy and strategy adopted by, and within a budget approved by, the Board. It is supported by the work of four Charity divisions, as follows:

**Growth Division** is responsible for securing income for the Charity, through programme recruitment and fundraising, and for generating support and participation in our mission.

**Impact Division** is responsible for ensuring the Charity's activities are delivering the results we want to see by guiding the strategy, developing new business, driving strategic projects and designing and delivering programmes and products.

**Information Services Division** is responsible for ensuring fit-for-purpose provision of digital, data and technology services to staff, trainees, delivery partners and other external users.

**Charity Effectiveness Division** is responsible for functions which serve and support colleagues across the Charity to excel in their own work and oversees compliance for Teach First.

## How decisions are delegated between trustees and senior management

We have a written Scheme of Delegation summarising matters reserved for decision by the Board and matters that are delegated to one of the Board's sub-committees or to the CEO.

The Board has delegated the day-to-day management of Teach First to the CEO and the Executive Directors. The CEO and Executive Team meet regularly as the Executive Committee to manage Teach First's activities. The names of the members of the Executive Committee and senior management can be found [here](#).

## Our policies and procedures for the induction and training of trustees

Our Trustees are also Directors of the charitable company. They are appointed by the Board of Trustees 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).

The balance and diversity of Trustees is kept under review by the Nominations Committee, which advises the Board on Trustee recruitment and tenure. 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. Four 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 to ensure they understand the organisation, their role and their responsibilities. New and existing Trustees are also offered development opportunities to help them meet their responsibilities.

## Arrangements for the pay and remuneration for key management personnel

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 background.

Since November 2019, we have advertised a single, non-negotiable starting salary for each job level. For transparency, we have also adopted a process for a non-consolidated market supplement, agreed in advance by a committee of peers (not the hiring manager alone), using external benchmark data, for hard-to-recruit posts like technology specialists or former head teachers. We have standardised our annual salary review process, so employees deemed to be "on-track" in terms of performance receive a uniform percentage increase. 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.

Pay gap reporting is a way of measuring both equity (pay) and diversity (distributed representation across levels). Therefore, we have gone beyond statutory requirements to publish an annual ethnicity pay gap report since April 2020. This year we also published a socio-economic background pay gap report for the first time. You can find our 2023 pay gap reports here:

- [2023 Gender Pay Gap Report](#)
- [2023 Ethnicity Pay Gap Report](#)
- [2023 Socio-economic Background Pay Gap Report](#)

## Our relationship with other parties we work with to achieve our objectives

Teach First has one subsidiary company, Teach First Trading 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 subsidiary are included in note 10 to the financial statements.



## Environmental reporting

Teach First is committed to achieving net zero emissions by 2030, ahead of the Government’s target of 2050.

Teach First operates from ten 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; and
- Business travel, using employee-owned vehicles, for which the corresponding business mileage is paid by the organisation.

During the year ended 31 August 2024, we consumed 416 MWh of energy (2023: 447 MWh) on scope 1 and 2 activities. This equates to a 15.3% reduction in office energy consumption (kWhs) compared to the baseline year (2019-20).

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

Tonne CO2e	2024	2023	2022
Scope 1: Direct emissions	–	–	–
Scope 2: Indirect office-space emissions	83	86	81
TOTAL	83	86	81

The chosen intensity measurement ratio is total gross emissions in tonne CO2e per Full Time Equivalent member of staff (FTE), the recommended ratio for the sector. For the year ended 31 August 2024, we caused the emission of 0.109 tonne CO2e per FTE (2022-23: 0.110 tonne CO2e).

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.

However, we remain committed in our endeavor for energy efficiency and this year implemented the following actions:

- Investigated further options for reducing our office space to reduce energy consumption;
- Explored the reduction of energy consumption from lighting by replacing existing T5 fluorescent lamps with LED versions;
- Reduced energy consumed by server room cooling equipment by adopting best practice temperature settings;
- Powered down unused refrigerators and operated coffee machines to match hours of occupancy; and
- Reduced energy consumption from lighting by replacing existing T5 after last use.

Our Scope 3 – indirect emissions relating to business travel – reduced to 87 tonne CO2e (2022-23: 106 tonne CO2e) this year. This is a result of a further increase in the use of technology and video conferencing to reduce travel to schools for face-to-face mentoring, teaching and supervision.

## 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 2023/24 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 99% 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 and most of our fundraising activity is managed in-house.

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 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 the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including 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 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.
- 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.

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 2024 there were 14 members.

## Declaration

This trustees' annual report is presented and approved by the board of trustees and signed on its behalf.

Signed: *Vivian Hunt*

Date: 28/2/2025

**DAME VIVIAN HUNT**  
**CHAIR OF THE BOARD OF TRUSTEES**

## 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 2023/24 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 99% 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 and most of our fundraising activity is managed in-house.

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 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.



# Reference and administrative details

## CHARITY DETAILS

Charity name:	Teach First
Charity number:	1098294
Company number:	04478840
Charity address:	6 Mitre Passage, Greenwich Peninsula, London, SE10 0ER
Governing document:	Memorandum of Association and Articles of Association
Constitution:	Charitable company limited by guarantee and not having share capital

## DETAILS OF TRUSTEES WHO SERVED DURING THE REPORTING PERIOD

NAME	POSITION	START DATE	END DATE
Dame Vivian Hunt	Chair	7 November 2019	
Humphrey Battcock		12 December 2022	
Sarah Bibi		12 April 2021	11 April 2024
Djamila Boothman	Co-Chair, EdCo	20 June 2022	
Caroline Carr		1 October 2018	30 September 2024
Alison Duncan		31 March 2016	
Paul Geddes		1 September 2022	
Clare Gilmartin	Chair, DDaTCo	01 February 2023	
Tom Harbour		12 April 2021	
Nabila Jiwa		5 June 2023	
Lord Jonathan Kestenbaum		1 November 2022	
Nicholas Owen CBE	Chair, NomsCo	8 July 2020	
Richard Taylor		1 Septmeber 2022	
Professor Samatha Twiselton	Co-Chair, EdCo	1 Decemeber 2022	
Helen Weir CBE	Chair, FRAC	30 September 2023	

SENIOR MANAGEMENT DURING THE REPORTING PERIOD

<b>Russell Hobby CBE</b>	Chief Executive Officer
<b>Sujata McNab</b>	Chief Operating Officer
<b>Kate Evans</b>	Chief Information Officer
<b>Amy Mitchell</b>	Chief Impact Officer
<b>Tom Lewis-Reynier</b>	Chief Growth Officer

PROFESSIONAL SERVICES DETAILS

<b>Bankers:</b>	<b>Barclays Bank plc</b> , 1 Churchill Place, London E14 5HP
<b>Solicitors:</b>	<b>Clifford Chance LLP</b> , 10 Upper Bank Street, London E14 5JJ Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London E16PW
<b>External Auditor:</b>	<b>Grant Thornton UK LLP</b> , 30 Finsbury Square, London EC2A 1AG
<b>Internal Auditor:</b>	<b>RSM Risk Assurance Services LLP</b> , The Pinnacle, 17 Midsummer Boulevard, Milton Keynes MK9 1BP



# Independent Auditor's report

## 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 2024, 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 2024 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; 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 high inflation and a change in government leadership, 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.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

## Other information

The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report and Accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and the Directors' report, prepared for the purposes of company law, included in the Annual Report and Accounts 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 Annual Report and Accounts 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 their 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 Annual Report and Accounts.

## **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**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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) and the Companies Act 2006;
- 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; and
  - 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 teams':
  - 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; and
  - 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; and
- 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: 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.

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.

## 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.

*Stephen Dean*

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

28/2/2025

# Consolidated statement of financial activities

(Incorporating an income and expenditure account)

For the year ended 31 August 2024

	NOTE	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL 2024	TOTAL 2023
		£'000	£'000	£'000	£'000
<b>Income</b>					
Charitable activities	2	50,770	–	50,770	54,930
Donations	2	3,652	2,987	6,639	7,681
Investments		528	–	528	394
Income from other trading activities		244	–	244	471
<b>TOTAL INCOME</b>		<b>55,194</b>	<b>2,987</b>	<b>58,181</b>	<b>63,476</b>
<b>Expenditure</b>					
Cost of raising funds	3	2,909	–	2,909	3,237
Expenditure on charitable activities	3	56,049	2,815	58,864	61,591
<b>TOTAL EXPENDITURE</b>		<b>58,958</b>	<b>2,815</b>	<b>61,773</b>	<b>64,828</b>
Net result for the year	5	(3,764)	172	(3,592)	(1,352)
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September	14	10,928	172	11,100	12,453
Total funds carried forward at 31 August	14	<b>7,164</b>	<b>344</b>	<b>7,508</b>	<b>11,100</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 35 to 54 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 2024

	NOTE	GROUP 2024	CHARITY 2024	GROUP 2023	CHARITY 2023
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	9	729	729	294	294
Investments in trading subsidiaries	10	–	–	–	–
<b>TOTAL FIXED ASSETS</b>		<b>729</b>	<b>729</b>	<b>294</b>	<b>294</b>
<b>Current assets</b>					
Debtors	11	22,392	22,544	22,047	22,431
Cash at bank and in hand		4,906	4,760	12,849	12,456
<b>TOTAL CURRENT ASSETS</b>		<b>27,298</b>	<b>27,304</b>	<b>34,896</b>	<b>34,887</b>
Creditors: amounts falling due within one year	12	(20,269)	(20,242)	(23,365)	(23,356)
Net current assets		7,029	7,062	11,531	11,531
Total assets less current liabilities		7,758	7,791	11,825	11,825
Provisions for liabilities	13	(250)	(250)	(725)	(725)
Net assets		7,508	7,541	11,100	11,100
<b>Funds</b>					
Restricted funds	14	344	344	172	172
Unrestricted funds	14	7,164	7,197	10,929	10,929
<b>TOTAL</b>		<b>7,508</b>	<b>7,541</b>	<b>11,100</b>	<b>11,100</b>

The notes on pages 35 to 54 form an integral part of these financial statements. The financial statements on pages 31 to 54 were approved and authorised for issue by the Board of Trustees on 12 February 2025, and were signed on its behalf by:

Dame Vivian Hunt, Chair  
 Company Registration Number 04478840  
 28/2/2025

*Vivian Hunt*

# Consolidated statement of cash flows

For the year ended 31 August 2024

	NOTE	2024	2023
		£'000	£'000
<b>Cash flows from operating activities</b>			
Net cash outflow from operating activities		(7,834)	(6,546)
<b>Cash flows from investing activities</b>			
Interest from investments		528	394
Purchase of tangible fixed assets	9	(637)	(192)
Net cash (outflow)/ inflow from investing activities		(109)	202
<b>Net movement in funds</b>			
Change in cash and cash equivalents in the reporting period		(7,943)	(6,345)
Cash and cash equivalents at beginning of the year		12,849	19,194
Cash and cash equivalents at end of the year		4,906	12,849

The notes on pages 35 to 54 form an integral part of these financial statements.

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

	NOTE	2024	2023
		£'000	£'000
Net cash outflow from operating activities		(3,592)	(1,352)
<b>Adjustments for:</b>			
Deposit interest and investment income receivable		(528)	(394)
Depreciation and amortisation charges	5	202	165
(Increase)/ Decrease in debtors	11	(345)	1,947
(Decrease) in creditors	12	(3,096)	(6,929)
(Decrease)/Increase in provisions	13	(475)	17
Net cash outflow from operating activities		<b>(7,834)</b>	<b>(6,546)</b>

	2024	2023
	£'000	£'000
Cash at bank and in hand	4,906	12,849
Net cash used on operating activities	<b>4,906</b>	<b>12,849</b>

## Analysis of changes in net debt

	AT 1 SEPTEMBER 2023	CASH FLOWS	OTHER NON-CASH CHARGES	AT 31 AUGUST 2024
	£'000	£'000	£'000	£'000
Cash	12,849	(7,943)	–	4,906

The notes on pages 35 to 54 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 2019) - (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 subsidiary is 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 28 February 2026, provided sensitivity analyses and reverse-stress tests based on key factors such as programme-participant numbers and voluntary income.

The Charity has considered a number of down-side scenarios to stress test our base case forecasting. These include four scenarios that reduce income from various charitable activities and voluntary income plus a severe but plausible down-side combining all four scenarios. Under all these scenarios, including the severe but plausible scenario, there are sufficient cash balances to continue operations throughout the going concern assessment period. It should be noted that this was without taking mitigating actions, although in practice, should any of the conditions modelled emerge, the Charity would take mitigating actions to offset the impact to cash.

Reverse stress tests have also been carried out to consider what conditions would be required to eliminate liquidity in the going concern period. This would either require the loss of significant charitable activities income from withdrawal in-year of a current key contract, or a reduction of voluntary income by c. 75% against the base-case without taking mitigating actions. The likelihood of each of these scenarios is considered by the Charity to be implausible. The positive performance of the charity and effective commercial relationships in relation to its key contracts mitigates the likelihood of major contracts being unexpectedly withdrawn, and such a large reduction in voluntary income would require the loss of significant and long standing funding partnerships for which there is ongoing commitment.

Based on these 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: both entities also share the same registered address at 6 Mitre Passage, Greenwich Peninsula, London, England, SE10 0ER.

As an additional disclosure, the notes to the financial statements (note 19) include a statement of financial activities for the Charity.

## 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 meets 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.

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

**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.

## 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 3 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 assessing the liabilities and obligations of the Charity, management have assessed their compliance with all taxes including VAT and have recognised these taxes accordingly.

## P) TERMINATION ACCOUNTING POLICY

Termination costs are recognised as an expense and liability when the Charity is demonstrably committed to a plan that will result in the termination of a significant number of employees' contracts before their normal retirement date. This typically arises in the context of restructuring exercises or redundancy programs.

A liability for termination benefits is recognised at the point when:

- A detailed formal plan for the redundancies has been approved and communicated to affected employees, providing sufficient clarity on the terms of the termination; or
- A legal or constructive obligation arises as a result of the Charity's actions or commitments.

Termination costs are measured based on the best estimate of the expenditure required to settle the obligation, considering statutory entitlements, contractual agreements, and any other relevant legal considerations.

2. Incoming resources

	UNRESTRICTED	RESTRICTED	TOTAL 2024	TOTAL 2023
	£'000	£'000	£'000	£'000
Charitable activities				
Fees paid by schools	12,706	–	12,706	13,646
Initial Teacher Training	22,726	–	22,726	26,250
Early Career Training	8,783	–	8,783	10,504
Other Contracts	6,555	–	6,555	4,531
VOLUNTARY INCOME FROM CORPORATES, TRUSTS AND FOUNDATIONS AND MAJOR DONORS	50,770	–	50,770	54,930
Donations				
Voluntary income from Corporates, Trusts and Foundations, and Major Donors	3,586	2,987	6,573	7,646
Donations in kind	66	–	66	35
TOTAL DONATIONS	3,652	2,987	6,639	7,681

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

	2024	2023
	£'000	£'000
Training and professional services	60	35
IT services	6	–
TOTAL	66	35

### 3. Expenditure

	SUPPORT COSTS	DIRECT EXPENDITURE	2024 TOTAL	SUPPORT COSTS	DIRECT EXPENDITURE	2023 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure on raising funds	620	2,289	2,909	611	2,626	3,237

	SUPPORT COSTS	DIRECT EXPENDITURE	2024 TOTAL	RESTATED SUPPORT COSTS	RESTATED DIRECT EXPENDITURE	2023 TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Teacher recruitment	1,433	5,424	6,857	1,105	5,959	7,061
Teacher trainee development	6,528	26,200	32,728	4,910	27,637	32,547
Leadership programmes, networks and other activities	1,971	8,982	10,953	1,462	8,695	10,157
Early career training	704	4,188	4,892	1,092	7,340	8,432
Charitable Operating Expenditure	10,636	44,794	55,430	8,569	49,628	58,197
Non-recurring digital and other costs	1,918	1,516	3,434	2,595	800	3,395
Expenditure on charitable activities	12,554	46,310	58,864	11,164	50,428	61,592

The prior year expenditure figures have been restated to correct an error in cost allocation that resulted in the misclassification of non-recurring costs (£3.4m). This restatement enhances comparability between reporting periods, allowing for a more meaningful analysis of expenditure trends.

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

Support costs are allocated as a proportion of the associated staff costs in these areas.

ALLOCATION OF SUPPORT COSTS	2024 TOTAL	2023 TOTAL
	£'000	£'000
Expenditure on raising funds	620	611
Expenditure on charitable activities	12,554	11,164
<b>TOTAL</b>	<b>13,174</b>	<b>11,775</b>

Support costs are constituted of the following types of costs:

SUPPORT COSTS	2024 TOTAL	2023 TOTAL
	£'000	£'000
Salaries and staff costs	9,305	5,913
Premises cost and rent	991	1,531
Operations and office management	1,292	1,947
Information technology	1,370	1,936
Depreciation and amortisation	202	165
Governance costs	14	283
<b>TOTAL</b>	<b>13,174</b>	<b>11,775</b>

NON-RECURRING DIGITAL AND OTHER COSTS	2024 TOTAL	2023 TOTAL (RESTATED)
	£'000	£'000
Salaries and staff costs	1,660	1,692
Information technology	258	903
<b>TOTAL</b>	<b>1,918</b>	<b>2,595</b>

The prior year's non-recurring salaries and staff costs have been restated to include £0.2m in redundancy costs, which were previously disclosed only as part of the larger total support costs (£11.8m).

## 5. Net income for the year

This is stated after charging:

	2024 TOTAL	2023 TOTAL
	£'000	£'000
Depreciation	202	165
Auditor remuneration payable (exclusive of VAT):		
Fees payable to the company's auditor for the audit of the company's annual accounts relating to the current year (inclusive of VAT)	67	49
Fees payable to the company's auditor for other services:		
• Audit of the accounts of subsidiaries	13	9
• SKE Assurance Audit	5	-
Internal Audit (exclusive of VAT)	76	5
Operating lease charges: rent and equipment	697	1,027

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

	2024 TOTAL	2023 TOTAL
	£'000	£'000
Wages and salaries	36,279	35,636
Employer's national insurance costs	3,463	3,387
Pensions and other staff costs	3,485	1,940
<b>TOTAL</b>	<b>43,227</b>	<b>40,963</b>

Salary bands:

	2024 NUMBER OF EMPLOYEES	2023 NUMBER OF EMPLOYEES
60,000 – 69,999	6	10
70,000 – 79,999	19	19
80,000 – 89,999	12	7
90,000 – 99,999	–	3
100,000 – 109,999	1	3
110,000 – 119,999	1	1
120,000 – 129,999	2	–
160,000 – 169,999	–	1
170,000 – 179,999	1	–

The cost of key management personnel, comprising the Executive Committee, was £677,621 (2023: £902,663). The members of the Executive Committee are listed on page 25. Employer pension contributions paid in respect of these employees amounted to £39,602 (2023: £55,633). The total of termination payments were £1,660,225 (2023: £411,474). The nature of these payments were lump sum payments and 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 £1,592,137 (2023: £1,604,706), of which £290,568 (2023: nil) was outstanding at the balance sheet date.

7. Staff numbers

	2024	2023
The average number of employees on a Full Time Equivalent basis during the year were:	761	754
The average number of employees on a Headcount basis during the year were:	1,069	951

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 the parent entity of Teach First Trading Limited, which has historically distributed its taxable profits to Teach First under a deed of covenant. However, no distribution was made in the current year due to previously accumulated losses. For the financial year ended 31 August 2024, Teach First Trading Limited reported a profit of £165,927 and carried forward retained losses of £34,073.

## 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 2023	3,276	1,213	543	5,032
Additions	569	–	68	637
At 31 August 2024	3,845	1,213	611	5,669
<b>Depreciation and impairment</b>				
At 1 September 2023	3,276	936	526	4,738
Charge for the year	42	144	16	202
At 31 August 2024	3,318	1,080	542	4,940
<b>Net book value</b>				
At 31 August 2024	528	133	68	729
At 1 September 2023	–	277	17	294

## 10. Charity investment in trading subsidiary

COST AND NET BOOK VALUE	SUBSIDIARY UNDERTAKINGS
	£
At 31 August 2024 and 2023	1

	COUNTRY OF INCORPORATION	% HELD	ACTIVITY
Teach First Trading Limited 1 Ordinary share of £1 each	England	100	Sponsorship and service fees

Voluntary income from corporates, trusts and foundations and individuals includes service fees 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:

	2024	2023 (RESTATED)
	£'000	£'000
Turnover	184	400
Cost of sales and administration costs	(17)	(133)
Net profit	(167)	267
Tax on profit	–	–
Profit for the financial year	167	267
<b>The assets and liabilities of the subsidiary were:</b>		
Current assets	242	402
Current liabilities	(276)	(602)
Retained in Subsidiary	(34)	(200)

During the year ended 31 August 2024, an error was identified in the VAT treatment of sponsorship income from prior fundraising events, specifically from the “Run the River” event series (2020–2023). Initially, this income was incorrectly classified as VAT-liable, and VAT was charged accordingly. Following a detailed review, it was determined that this income qualified as VAT-exempt under UK VAT legislation (VAT Notice 701/1, Charities).

This adjustment resulted in the issuance of credit notes totalling £240,000, comprising £200,000 in income adjustments and £40,000 in VAT corrections. The income adjustment reduced turnover by £200,000, broken down as follows:

- £100,000 related to the 2023 financial year: This amount was deemed material, representing approximately 20% of 2023 turnover. Accordingly, the comparative figures for 2023 have been restated in compliance with FRS 102 to accurately reflect the corrected turnover amount.
- £100,000 related to the periods 2020–2022: These adjustments were assessed as immaterial to their respective years. In line with FRS 102, these adjustments were accounted for as an adjustment to opening retained earnings at 1 September 2022, rather than adjusting prior-period comparatives.

The £40,000 VAT adjustment strictly affected balance sheet accounts, with no impact on the profit and loss.

This restatement affects only the financial statements of Teach First Trading Limited and has no impact on the consolidated group accounts or on the financial statements of Teach First. VAT-exempt invoices were re-issued under the parent company for the corrected amounts (£200,000, exclusive of VAT). Corrective measures have been implemented to ensure compliance with VAT regulations in future sponsorship agreements.

## 11. Debtors

	CONSOLIDATED 2024	CHARITY 2024	CONSOLIDATED 2023	CHARITY 2023
	£'000	£'000	£'000	£'000
Trade debtors	16,359	16,263	15,416	15,307
Other debtors	2	2	–	–
Accrued income	5,018	5,018	5,397	5,397
Prepayments	1,013	1,013	1,234	1,234
Intercompany debtors	–	248	–	492
<b>TOTAL</b>	<b>22,392</b>	<b>22,544</b>	<b>22,047</b>	<b>22,430</b>

## 12. Creditors

	CONSOLIDATED 2024	CHARITY 2024	CONSOLIDATED 2023	CHARITY 2023
	£'000	£'000	£'000	£'000
<b>Creditors: amounts falling due within one year</b>				
Trade creditors	399	399	1,174	1,174
Other creditors	284	284	(11)	(11)
Funds held on behalf of third parties	–	–	51	51
Accruals	3,643	3,630	6,283	6,274
Taxation and social security costs	3,531	3,531	3,573	3,573
Deferred income (see i)	12,330	12,316	11,966	11,966
Rent provision	82	82	329	329
<b>TOTAL</b>	<b>20,269</b>	<b>20,242</b>	<b>23,365</b>	<b>23,356</b>

## I. DEFERRED INCOME

CONSOLIDATED	BROUGHT FORWARD	RECEIVED	RECOGNISED	CARRIED FORWARD
	£'000	£'000	£'000	£'000
<b>Analysis of movements</b>				
School fees	10,458	13,291	(12,706)	11,043
Initial Teacher Training and other Government contracts	1,470	22,400	(22,726)	1,144
Other income	37	218	(111)	144
<b>TOTAL</b>	<b>11,965</b>	<b>35,909</b>	<b>(35,543)</b>	<b>12,331</b>

### School fees

Some of our school 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. Following a change in contractual terms and the timings of billings, there has been a reduction in deferred income.

### 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	10,458	13,291	(12,706)	11,043
Initial Teacher Training and other Government contracts	1,470	22,400	(22,726)	1,144
Other income	37	204	(112)	129
<b>TOTAL</b>	<b>11,965</b>	<b>35,895</b>	<b>(35,544)</b>	<b>12,316</b>

## 13. Consolidated and Charity Provisions

	BROUGHT FORWARD	PROVIDED IN THE YEAR	USED IN THE YEAR	RELEASED	CARRIED FORWARD
	£'000	£'000	£'000		£'000
<b>Analysis of movements</b>					
Dilapidations	725	15	(190)	(300)	250
<b>TOTAL</b>	<b>725</b>	<b>15</b>	<b>(190)</b>	<b>(300)</b>	<b>250</b>

### Dilapidations

Dilapidation costs expected to be payable on the termination of the lease of Teach First's London office in FY2030.

## 14. Analysis of charitable funds at 31 August 2024

CONSOLIDATED	BROUGHT FORWARD	INCOMING RESOURCES	RESOURCES EXPENDED	CARRIED FORWARD
	£'000	£'000	£'000	£'000
<b>Restricted funds</b>				
Teacher trainee development	53	325	(378)	–
Leadership programmes, networks and other activities	119	2,662	(2,437)	344
<b>TOTAL RESTRICTED FUNDS</b>	<b>172</b>	<b>2,987</b>	<b>(2,815)</b>	<b>344</b>
Unrestricted funds	10,928	55,194	(58,958)	7,164
<b>TOTAL</b>	<b>11,100</b>	<b>58,181</b>	<b>(61,773)</b>	<b>7,508</b>

CHARITY	BROUGHT FORWARD	INCOMING RESOURCES	RESOURCES EXPENDED	CARRIED FORWARD
	£'000	£'000	£'000	£'000
<b>Restricted funds</b>				
Teacher trainee development	53	325	(378)	–
Leadership programmes, networks and other activities	119	2,662	(2,437)	344
<b>TOTAL RESTRICTED FUNDS</b>	<b>172</b>	<b>2,987</b>	<b>(2,815)</b>	<b>344</b>
Unrestricted funds	10,928	55,210	(58,941)	7,197
<b>TOTAL</b>	<b>11,100</b>	<b>58,197</b>	<b>(61,756)</b>	<b>7,541</b>

### **Teacher trainee development**

Funds that are specifically restricted by donors to supporting additional activities to support and develop trainees on our HPITT programme, that are not funded through the government contract.

### **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 Career Leader and 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	2024 TOTAL	2023 TOTAL
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2023 are represented by:				
Fixed assets	729	-	729	294
Debtors	22,392	-	22,392	22,047
Cash in bank and in hand	4,562	344	4,906	12,849
Creditors: amounts falling due within one year	(20,269)	-	(20,269)	(23,365)
<b>TOTAL</b>	<b>7,414</b>	<b>344</b>	<b>7,758</b>	<b>11,825</b>
Provisions	(250)	-	(250)	(725)
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>7,164</b>	<b>344</b>	<b>7,508</b>	<b>11,100</b>

CHARITY	GENERAL UNRESTRICTED FUNDS	RESTRICTED FUNDS	2024 TOTAL	2023 TOTAL
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2023 are represented by:				
Fixed assets	729	-	729	294
Debtors	22,544	-	22,544	22,431
Cash in bank and in hand	4,416	344	4,760	12,456
Creditors: amounts falling due within one year	(20,242)	-	(20,242)	(23,365)
<b>TOTAL</b>	<b>7,447</b>	<b>344</b>	<b>7,791</b>	<b>11,825</b>
Provisions	(250)	-	(250)	(725)
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>7,197</b>	<b>344</b>	<b>7,541</b>	<b>11,100</b>

Free reserves, which are defined as General Unrestricted Reserves excluding fixed assets, were £6.5m as of 31 August 2024 (2023: £10.6m).

## 16. Financial commitments

There were no capital commitments as of 31 August 2024 (31 August 2023: nil). The Charity was committed to making the following total future payments in respect of operating leases:

	2024	2023
	£'000	£'000
Leases which expire:		
Within one year	582	1,198
Within two to five years	1,439	1,384
Over five years	482	–
TOTAL	2,503	2,582

## 17. Related party transactions

The Charity has taken advantage of the exemption in FRS102 from disclosing transactions with other members of the group. During the year, Trustees were not remunerated, and no expenses were claimed for travel and out of pocket expenses (2023: nil). Trustees also made personal donations to the Charity amounting to an aggregate of £11,115 (2023: £5,600). Expenses are shared between the parent company and subsidiary using an income-based allocation approach. The total expenses recharged to the subsidiary were valued at £11,646 (2023: £126,104).

## 18. Comparative Consolidated Statement of Financial Activities

	NOTE	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL 2023
		£'000	£'000	£'000
Charitable activities	2	54,930	–	54,930
Donations	2	4,820	2,861	7,681
Investments		394	–	394
Income from other activities	2	471	–	471
<b>TOTAL INCOME</b>		<b>60,615</b>	<b>2,861</b>	<b>63,476</b>
Cost of raising funds	3	3,237	–	3,237
Expenditure on charitable activities	3	58,299	3,293	61,592
<b>TOTAL EXPENDITURE</b>		<b>61,536</b>	<b>3,293</b>	<b>64,829</b>
<b>NET RESULT FOR THE YEAR</b>		<b>(921)</b>	<b>(432)</b>	<b>(1,353)</b>
Total funds brought forward at 1 September	14	11,849	604	12,453
Total funds carried forward at 31 August	14	10,928	172	11,100

## 19. Charity Statement of Financial Activities

FOR THE YEAR ENDED 31 AUGUST 2024	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2024 TOTAL	2023 TOTAL
	£'000	£'000	£'000	£'000
<b>Income</b>				
Charitable activities	50,770	–	50,770	54,930
Donations	3,676	2,987	6,663	7,184
Investments	196	–	196	391
Income from other activities	244	–	244	471
Income from subsidiaries	324	–	324	367
<b>TOTAL INCOME</b>	<b>55,210</b>	<b>2,987</b>	<b>58,197</b>	<b>63,343</b>
<b>Expenditure</b>				
Cost of raising funds	2,892	–	2,892	3,104
Expenditure on charitable activities	56,049	2,815	58,864	61,592
<b>TOTAL EXPENDITURE</b>	<b>58,941</b>	<b>2,815</b>	<b>61,756</b>	<b>64,696</b>
Net income for the year	(3,731)	172	(3,559)	(1,353)
<b>Reconciliation of funds</b>				
Total funds brought forward	10,928	172	11,100	12,453
Total funds carried forward at 31 August 2024	7,197	344	7,542	11,100

## 20. Post balance sheet events

There have been no material post-balance sheet events.

