

Parentkind

Parentkind

Report and Accounts
for the year ended 31 December 2020

Contents

| | Page |
|--|------|
| Company Information | 3 |
| Trustees' Report | 4 |
| Independent Auditors' Report | 15 |
| Consolidated Statement of Financial Activities | 19 |
| Consolidated and Charity Balance Sheets | 20 |
| Consolidated Cash Flow Statement | 21 |
| Notes to the Financial Statements | 22 |

Company Information as at 31 December 2020

| | | | |
|----------------------|--|---|--|
| Incorporated | England 2 nd December 1998 | | |
| Company Number | 3680271 | | |
| Charity Number | 1072833 | | |
| Trustees | Joe Saxton, Chair of the Board (to 9 th June 2021) Alex Peace-Gadsby, Chair of the Board (from 9 th June 2021) Joni Alexander Steve Bannister Ellen Broome (from 28 th June 2020) Jennifer Dyer (to 9 th June 2020) David Hatchett (from 9 th June 2020) Rob Hayter Doris Neville-Davies (to 9 th June 2020) | | |
| | | Charlie Samuda (to 9 th June 2020) | |
| | | Amanda Shepard | |
| | | Mos Somji | |
| | | Pat Sowa | |
| | | Jo Walmsley (from 18 th June 2020) | |
| | | Karen Wespieser | |
| | | Yvonne Wood (to 9 th June 2020) | |
| Chief Executive | John Jolly | | |
| Company Secretary | Graham Stone | | |
| Registered Office | 39 Shipbourne Road Tonbridge Kent TN10 3DS | | |
| Bankers | CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4TA | Aldermore Bank PLC 1st Floor, Block B Western House Lynch Wood Peterborough PE2 6FZ | |
| Investment Managers | Sarasin and Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU | Solicitors | Cripps LLP 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS |
| Independent Auditors | Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE | Insurer | Zurich Insurance plc The Zurich Centre 3000 Parkway Whiteley Fareham Hampshire PO15 7JZ |

Report of the Trustees for the year ended 31 December 2020

The Trustees are pleased to present their annual report together with the consolidated financial statements of the Charity and its subsidiary for the year ended 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard, applicable in the UK and Republic of Ireland (FRS 102).

Overview

Objectives for the public benefit

The principal objects contained within the Charity's memorandum and articles of association are:

'To advance education by encouraging the fullest co-operation between home and school, education authorities, central government and all other interested parties and bodies.'

The Trustees have considered the Charity Commission guidance on public benefit while developing plans for activities during the year.

What does Parentkind do?

- We are a charity that champions parents so that they can participate in their child's education and school life to the full
- We are the largest membership body for Parent Teacher Associations (PTAs) and other parent groups in England, Wales and Northern Ireland
- We provide parental participation training across the UK
- We provide parents with information and resources on how they can get involved in school life and support their child's learning.

Our vision

Our vision is that the active participation of parents is considered an essential ingredient in the success of our children's education by society, schools and parents themselves.

Our mission

Parentkind will tirelessly support and champion all the ways parents can participate in education and have their voices heard. We want to be a powerful force for good in education in the UK that strives to bring homes and schools together for the good of all children and society as a whole.

Our ambition

We want more parents to be involved and engaged in their child's education, and in more ways – both at home and at school.

In 2018 the Trustees agreed a two year strategy to achieve our objects (covering activities up until the end of 2020) and to realise our vision, mission and ambition.

Parentkind's five strategic goals guiding our work in 2018-20 are:

- 1) Supporting and engaging parents to help them maximise their contribution to their child's education
- 2) Supporting and engaging PTAs, Parent Councils and other parent groups to be as effective as possible
- 3) Helping schools to become more parent-friendly
- 4) Developing new partnerships to reach more parents and schools
- 5) Championing the role of parents in education and their importance in education policy.

Despite working from home, and the limits imposed by lockdown, we have managed to place Parentkind at the heart of the schools debate in all three nations in which we operate. In a large part, this is because we have chosen to take the opportunities that have presented to us, and proactively supported and worked with a wide range of organisations in England, Wales and Northern Ireland, in a fast changing situation.

During the pandemic our four key priorities have been:

1. To ensure that we are able to position Parentkind as an organisation PTAs cannot live without in 2021 and one that reflects the new normal (e.g. non-event based fundraising).
2. To ensure that we are able to keep a track on the financial impact of COVID19, against our scenarios, and develop a stress-test to extinction, against different levels of membership in January 2021, given all of our risk sits against January 2021. We will then plan our responses at different levels of funding way below the worst case (plan for the worst and hope for the best)!
3. To recognise the transformational nature of current events in speeding-up the use of Webinars instead of face-to-face training and conferences, and develop our training accordingly.
4. Continue to increase the influence and profile of Parentkind in the context of parental engagement (Blueprint) and the growing power of parental voice in decision making. Suddenly, parents are empowered to make choices and are actively involved in children's education in a way that has not been seen before. Even sending children to school is currently a parental choice.

Achieving Our Strategic Goals

We will now take each of our five strategic goals in turn and report on our activities and achievements against each goal so far:

(1) Supporting and engaging parents to help them maximise their contribution to their child's education

Giving parents a voice

In March 2020, parents were suddenly empowered to make choices in their child's education and were actively involved in children's learning at home due to the unprecedented school closures. In response, we piloted a small online survey to gauge a reaction of parent's thoughts at this time in terms of their child's education. We were encouraged that in under five days, almost 700 parents (691 in total) representing 1,181 schoolchildren across the three nations gave us their views. The results gave us a snapshot parents' voice in the week that school closures and the wider 'stay at home' message was announced.

With the situation changing daily, we released a second short online survey to gain further clarity on parent views in April/May 2020. An unprecedented 257,392 parents responded and submissions were still coming in thick and fast by the time we closed it at 9am on Monday 4th May. This high level of engagement demonstrated the strength of feeling among parents at this time as well as our ability to be agile in gathering a collective 'parent voice'. We published our results via a press release, which generated media coverage beyond any expectations.

We have continued to gather data from parents with a series of online surveys during 2020, which has enabled us to understand the shift or transformation in the thought process of parents over the pandemic period. To compliment above, we also released online snap polls to gauge parent's reactions on specific announcements or key topics of interest (at that point in time) for example exams. These have often been at the request of our partners or media, which we are happy to help. These snap polls are short and ready to answer and can measure parent opinion, in one particular situation, almost immediately.

Using online surveys and polls have been a useful (and quick) way to get solid, usable data from parents to generate media coverage and influence policy. There is no doubt that these additions to our research have been an easy way to seriously inspire a large number of parents to respond and give their voice.

Providing parent with resources and support

We increased the number of parents visiting our website, social media channels and mailing lists.

| Communication channel | At 31 December 2020 | At 31 December 2019 | % change |
|---|---------------------|---------------------|----------|
| Website session visits | 518,611 | 455,611 | 14% |
| Website unique users | 373,414 | 252,681 | 48% |
| Page Views | 2,689,602 | 3,344,817 | -20% |
| Average length of web session (minutes) | 02:03 | 03:15 | -37% |
| Parent Facebook page 'likes' | 6,441 | 4,898 | 32% |
| Twitter followers | 9,165 | 7,697 | 19% |
| Parent eBulletin mailing list | 20,654 | 18,565 | 11% |

We created an online version of the Be School Ready magazine, for distribution to parents with 853 downloads

(2) Supporting and engaging PTAs, Parent Councils and other parent groups to be as effective as possible

PTA Membership

As of December 2020, we had 12,770 **PTA members** (46% of all schools in England, Wales and Northern Ireland).

| | Year to 31 December 2020 | Year to 31 December 2019 |
|-------------------------------|--------------------------|--------------------------|
| PTA members at year start | 13,548 | 13,633 |
| Members who did not renew | -855 | -517 |
| New & Returning PTA members | 77 | 432 |
| Total PTA members at year end | 12,770 | 13,548 |
| PTA member retention rate | 90.3% | 94.5% |

Our presence in the three nations is as follows:

| Nation | Parentkind PTA Members | All Schools | % School Market Penetration |
|------------------|------------------------|-------------|-----------------------------|
| England | 11,720 | 24,566 | 48% |
| Wales | 664 | 1,603 | 41% |
| Northern Ireland | 374 | 1,569 | 24% |
| Other | 12 | N/A | N/A |
| Total | 12,770 | 27,738 | 46% |

PTA membership benefits

We continued to support our PTA members with 9,746 enquiries via telephone and email, as well as developed the ability for our PTA members to self-serve through our website, to complete a range of functions including contact detail changes and renewals.

| Types of contact with members | At 31 December 2020 | At 31 December 2019 | % change |
|--|---------------------|---------------------|----------|
| Total enquiries from PTA members | 9,746 | 16,693 | -42% |
| PTA membership support via telephone | 2,935 | 6,831 | -57% |
| PTA membership newsletter mailing list numbers | 27,384 | 29,733 | -8% |
| Other | 0 | 11 | N/A |
| Total | 40,065 | 53,268 | -25% |

We successfully introduced informal webinar coffee mornings and monthly “Webinar Wednesdays”. These have been run on a range of subjects by both staff and third parties, such as The Charity Commission and Zurich.

We launched a digital PTA Expert magazine, to replace the annual printed magazine. We successfully tested our first annual virtual fundraising event the Big PTA Quiz 2020 in September/October. We provided everything a PTA would need to make it as simple as possible to host an evening. Over 10% of our PTA members downloaded the activity pack. We launched the Big PTA Raffle 2020 in October. We have completed the annual review of information sheets and resources including adaptations to be as covid-19 related as possible.

We continued to successfully work with a number of long-term and new partners to offer a wider range of exclusive benefits, to help our PTA members be as effective as possible, as well as raise more money including: PTA Events, Easyfundraising and Your School Lottery. Our ongoing partnership with easyfundraising meant that in 2020, over 400 PTAs registered to use the service with nearly 6,000 members now registered.

Annual PTA membership survey

Our 2020 annual PTA membership survey was completed online by nearly 700 PTA members and highlights the important role that they play in contributing to improving children’s education and to society as a whole. The key results of the survey are summarised below:

- Our PTA members raised an average of £6,187 compared to £9,006 in 2019.
- The total amount raised by all our PTA members that goes directly into schools is estimated to be more than £79 million, far less than the estimated £121 million raised in 2019.
- Covid-19 has had a huge impact on PTAs’ ability to fundraise. Across all our PTA membership, the estimated lost income by PTAs as a result of the pandemic is more than £75 million.
- Committee members in our PTA members collectively volunteered 2.05 million hours, worth at least £17.8 million (based on the national living wage).

(3) Helping schools to become more parent-friendly

Blueprint for Parent Friendly Schools

We have collated consultation comments and feedback to those who participated, the changes that were made as a result and established the Blueprint for Parent-Friendly Schools five key drivers.

We have developed a sub-brand to use across all the Blueprint for Parent-Friendly Schools elements and successfully completed the Doncaster government contract. Despite the schools closing due to Covid-19 we established best practice and a number of resources to take us forward and created a Blueprint for Parent-Friendly Schools promotional brochure for school-leaders and partners.

Training

We have reviewed our workshops so that they could be delivered online, including training our associate trainers on these new delivery methods.

(4) Developing new partnerships to reach more parents and schools

Due to the higher profile our snapshot surveys have given us, we have been approached to partner on the following research projects:

- We are one of two UK partners in the Brookings Institution's global Parent Engagement in Education Project looking at the role of parental engagement in children's education.
- We have undertaken consultancy services for The Education People, developing, hosting and analysing the results of a survey to Kent parents.

(5) Championing the role of parents in education and their importance in education policy.

We executed our 6th Annual Parent Survey with a 1,500 sample size across England, Wales and Northern Ireland to continue to reinforce our authority on parent views. The results were highlighted heavily in the IPPR report – The 'new normal' – The future of education after Covid-19 and the research report released alongside. To accompany our media launch, we prepared a further analysis report based on key policy areas.

A Data Analyst joined us from the Cabinet Office, on secondment for six months, to further analyse the past six annual parent surveys. Working into 2021, the outcome will be a series of evidence based reports on our key policy asks.

We established three overarching policy asks for the organisation:

- Parent Voice at MAT, Local Government and National Government
- Parent Participation in Schools
- Parent Consultation at School

England highlights:

We secured Ian Mearns MP's agreement to set up and chair an All Party Parliamentary Group on Parental Participation in Education at Westminster and launched in July. The following people were agreed as Vice Chairs, Baroness Blower, John McDonnell, and Tom Tugendhat (Vice-Chair).

Meetings have been attended by the following MP's and Peers: Mary Glendon MP, Grahame Morris MP, Lord Watson of Invergowrie, and Graeme Dolphin representing Margaret Greenwood MP; Ian Byrne MP, Tracey Crouch MP, Kate Green MP, Margaret Greenwood MP, Emma Hardy MP, Rachel Hopkins MP, David Johnston MP, Baroness Bennett of Manor Castle, Lord Knight of Weymouth, Lord Ramsbotham; and Chris Waterman (APPG for the Teaching Profession).

We have been working closely with DFE, Ofsted, Ofqual, NEU, The Chartered College of Teaching, NGA, the Parent Education Network and reaching out to a wide range of other organisations.

We have actively sought to raise our concerns and the parent viewpoint with Ministers, the Education Select committee and MP's. This has included letters to Gavin Williamson and the schools Minister along with

letters to Rebeca Long-Bailey and shadow Schools Minister Margret Greenwood. We have written to both the new Shadow Schools Minister Wes Streeting and Schools Minister Nick Gibb to both introduce Parentkind and raise concerns expressed to us by parents.

We have ensured that our COVID19 surveys have been circulated to all MPs and Peers and that parents concerns have been raised with the Education Select Committee.

Along with NAHT ASCL, NGA, NEU and other key organisations we attended and presented at two meetings in relation to schools with Keir Starmer and the shadow cabinet including, Angela Raynor, Kate Green, Margret Greenwood, Anneliese Dodds.

We responded on a number of policy focused consultations across England, including:

- National Audit Office; Free schools meals investigation.
- Future Perfect Education Commission.
- Education Select Committee's Home Education enquiry.
- NAO's inquiry "support for children's education during the Covid-19 pandemic".
- DFE School Admissions Code.

Wales highlights:

We engaged with politicians and other key stakeholders in Wales (where there is not an appetite to create an All Party Working Group) with a Parent Advisory Group, that immediately addressed the need for parent consultation and input into their Covid responses / guidance / communications etc. The work of this group continues longer term to support the implementation phase of the Curriculum for Wales (and other policy delivery).

We have secured some key political connections in Wales, these include: Kirsty Williams MS, Education Minister, Suzy Davies MS Welsh Conservatives Education spokesperson and member of Children, Young People and Education Committee, Jane Hutt MS, Deputy Minister and First Whip, Welsh Labour and Sian Gwenllian MS, Education spokesperson and member of the Children, Young People and Education Committee, Plaid Cymru.

We continued to respond to key stakeholder consultations, such as those of Qualifications Wales and Estyn and other partner organisations. Our Parent research has been used by the Welsh Government Research service, used to inform Welsh Government reports and quoted as the source. For example, in a number of responses to Welsh Government consultations, including our submission the Children, Young People and Education committee enquiry. We have used supporting evidence to respond to Welsh Government policy based consultations and gathered via snapshot surveys.

Ready for elections due to take place in May 2021, we have attended a number of round table/discussion group events with the Welsh Labour, Welsh Conservatives and Plaid Cymru parties, held to inform their policy and election manifesto developments. As well as one to one meetings with Senedd Members and policy advisors as follow-ups.

Northern Ireland (NI) highlights:

We established MLA's, peers and organisations within the APWG in Northern Ireland from January 2020. Now fully functioning with Parentkind are the secretariat. We are in regular contact with the Education Minister and other politicians involved in Education in NI providing insights as to parent's thoughts and opinions on an array of matters, during school closures including full time return to school, the transfer test and much more.

We used evidence obtained through our Parents' Parliaments to design resources that could be used as a model for schools to replicate to support learning from home. We worked alongside policy-makers and stakeholders to inform and influence the development of information materials for parents on supporting learning from home and develop Ask the Expert sessions.

We presented our survey findings to an array of stakeholders including Stranmillis University, Education Committee members, and APG members. Our research has been used extensively in NI, for example, the Department of Education. The Education Minister used our survey findings in several reports to the NI Assembly, when presenting evidence to the Education Committee, when answering general questions to the Committee and again in the Assembly answering open questions. Our survey was also included in the NI Assembly Research Matters papers.

Financial Review

Income

Total incoming resources for the year amounted to £1,518,983 (compared with £1,519,170 for 2019, a decrease of £187 : 0.0%).

Funding was primarily from PTA membership, which provided £1,312,067 (compared with £1,299,220 for 2019, an increase of £12,847 : 1.0%).

The Charity's wholly owned trading subsidiary Parentkind Enterprises Limited (PEL) continued to trade well and income from commercial was £142,360 (compared with £130,844 for 2019).

In this period, PEL made a payment of £46,393 (compared with £17,565 for 2019) under Gift Aid to the Charity, representing an increase of £28,828 on the prior year. This increase was as a result of our Big PTA Raffle initiative generating additional funds and reduced costs due to stopping the production of our Welcome Packs.

The Charity received income of £1,886 related to training workshops provided to enhance parental reach into schools as part of our wider schools programme (compared to £19,106 for 2019). This represents a decrease on the prior year of 90.1%. This decrease was a direct result of cancelling face to face training sessions and disruption within schools due to Covid-19 Pandemic. We hope to build on this income stream going forward through introducing a remote training option.

Investment income for the period was £17,086 (compared to £17,250 for 2019). At 31 December 2020, the investment was valued at £514,007 (compared to £469,405 for 2019)

The only form of direct fundraising undertaken by Parentkind during the year was through our Big PTA Raffle. The purpose of the raffle was primarily to raise funds on behalf of our PTA members. The Raffle was undertaken in partnership with an External Lottery Manager, Gatherwell Ltd, under a small society lottery licence issued to Parentkind by Tonbridge and Malling Borough Council. We ensured that Gatherwell Ltd conducted our raffle with due regard to protecting vulnerable people through ensuring that they had appropriate policies in place that were followed throughout our Raffle. We did not receive any complaints in relation to our direct fundraising activity in the year.

Expenditure

Total expenditure for the year amounted to £1,438,973 (compared with £1,579,654 in 2019 a decrease of £140,681 : 8.9%).

The net result of the Charity for the year ended 31 December 2020 was a surplus of £109,605 – this was a direct result of cost savings achieved during the Pandemic, good performance of our investments and an increase in income generated by our commercial activities.

Reserves policy

The Trustees believe that in terms of good governance and to ensure the continuity of the organisation and the fulfilment of its charitable aims, it is necessary to maintain an adequate level of reserves.

Free reserves are the part of Parentkind's unrestricted funds that is freely available to spend on any of the Charity's purposes. This definition excludes restricted income funds, although holding such funds may influence Parentkind's reserves policy.

The Trustees take a risk-based approach to reserves and review the reserves policy annually. The Board has set a reserves policy which requires:

- Reserves to be maintained at a level which ensures that Parentkind's core activity could continue during a period of unforeseen difficulty
- A proportion of reserves to be maintained in a readily realisable form.

The calculation of the required level of free reserves takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted
- Planned activity level
- Organisational commitments
- The gap between the spending and receiving of income
- Retaining a level of funding that will allow the Charity to respond to opportunities arising which enable the organisation to meet its strategic objectives.

On this basis, the Trustees consider that the ideal level of free reserves as at 31 December 2020 is £450,000 of which at least 20% should be held as cash. The group held cash of £389,002 at 31 December 2020.

Additionally, Parentkind owns the land and building at 39 Shipbourne Road, Tonbridge, TN10 3DS. The board has agreed to retain the land and building for use of the Charity until such time that the liquidation of the asset is required in order to provide access to free reserves as per the policy.

The balance held in unrestricted funds (excluding tangible and intangible fixed assets) was £840,501 at 31 December 2020. The Trustees are satisfied that the Charity is operating on a going concern basis.

Consideration has been given to the impact of the Coronavirus pandemic upon our ongoing operations and a basis of going concern. Given limited exposure to reductions in income, as previously described, the cost cutting measures enacted during the year and current level of reserves the Trustees are satisfied that the pandemic does not affect the ability of the Charity to operate on a going concern basis.

The Trustees consider ways by which the free reserves above the assessed reserves level could be invested or used for the long term benefit of the charity. In March 2021 the Trustees decided to allocate £100,000 as a designated fund representing their commitment to develop a new website during 2021. It is hoped that the new website will be launched in 2022. During the summer of 2021, a new strategy will be developed and further investment of reserves will be considered as part of this strategy.

Investment policy and performance

Parentkind's investment policy is to manage investments in such a way, as to:

- Provide supplementary income to enable the Charity to carry out its purposes effectively, both in the short term and over the longer term
- Maintain and preserve asset values and where possible, the value of the assets should be enhanced so as to at least keep pace with inflation over the longer term
- Minimise the impact of:
 - Financial loss through inappropriate or speculative investment
 - Unforeseen severe adverse investment conditions
 - Financial loss through lack of investment advice and lack of diversity
 - Cash flow difficulties arising from lack of liquidity.

At 31 December 2020, in addition to the funds invested with Sarasin & Partners LLP, the Charity held cash deposits spread between two UK banks.

Structure, governance and management

Parentkind is both a company limited by guarantee and a registered charity. It is governed by the Board of Trustees which is collectively responsible for the governance and strategic direction of Parentkind together with its financial health, delivery of public benefit, probity of its activities and the development of the organisation's aims, objectives and goals.

Parentkind wholly owns a trading subsidiary, Parentkind Enterprises Limited (PEL) (company number 3884281) whose Directors are selected by the Trustees from among their number and the staff team.

During 2019 and 2020, we recruited some new Trustees. All new Trustee positions are advertised publicly to ensure a diverse board with the right mix of skills is appointed. Three new Trustees were appointed at the AGM in June 2020.

Early in 2021 a new Chair of the Board was recruited as Joe Saxton approached the end of his term of service. Joe stepped down as Chair and Trustee at our AGM on 9th June 2021 and at the same meeting Alex Peace-Gadsby was appointed by the board as both a Trustee and Chair of the Board. The Trustees and Staff Team of Parentkind extend their appreciation and thanks to Joe, who provided exceptional leadership of the board for six years during a period of substantial transformation of the organisation.

New Trustees receive a comprehensive induction when they join, including an overview of their responsibilities and duties as Company Directors and Trustees. This induction is undertaken by the Chair of the People Committee and the Company Secretary.

Trustees bring a broad range of experience and skills, and Parentkind values their input across activities. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 14 to the accounts.

Day to day management of the Charity is delegated to the Chief Executive, who manages a team of 25 staff (22.4 full time equivalent), of whom 23 are based in the office and 2 work remotely.

Board Structure and Trustee Development

The Board meets five times per year, with the following committees meeting at least twice a year, consisting of the following Trustees (voting) and Executive staff (non-voting):

- People Committee
 - Doris Neville-Davies (Chair to 9th June 2020)
 - Rob Hayter (Chair from 9th June 2020)
 - Steve Bannister
 - Yvonne Wood (to 9th June 2020)
 - Pat Sowa
 - Two members of the Executive Team.
- Money Committee
 - Mos Somji (Chair)
 - Jennifer Dyer (to 9th June 2020)
 - Amanda Shepard
 - Two members of the Executive Team.

Our Chair of the Board, Joe Saxton, sits ex officio (with voting rights) on each committee.

Overall Trustee attendance at committees was an average of 96% over the period and Trustee attendance at Board meetings was 94%.

The Board has also developed its own set of guiding principles called “What are the Hallmarks of an effective Trustee” which covers attendance and involvement at meetings, knowledge of Parentkind and its work, and behaviour as a Trustee to ensure that the Board can be as effective as possible. This is also included in the Trustee Manual.

Risk management

The major risks for Parentkind are reviewed and scrutinised by the Money Committee and the Board of Trustees. This year, the top risks have been:

- Lack of diversity in income
- Loss of share in relation to PTA membership market
- Digital systems not adequate to support effective operational delivery
- Failure to deliver upon strategy & realise the potential of Parentkind
- Organisational Strategy and priority/ambition is not clear

Staff and trustees have worked closely together in 2020 to mitigate these risks, especially in light of the impact of the Covid-19 Pandemic. Financial risks are mitigated by regularly reviewing our financial position through management accounts, conducting quarterly reforecasting and scenario planning. During the year we have introduced new initiatives such as the Big PTA Raffle, working to diversify our income and have focussed upon providing members with a relevant membership offer during the Pandemic, including running webinars. We have continued the focus on our digital infrastructure and are planning replacement of our website during 2021 and 2022. We have addressed pain points in our digital infrastructure, particularly related to membership, and have worked on ensuring that our database system operates as efficiently as possible through reviewing background coding.

We recognise the importance of safeguarding in all aspects of our work. We provide our members with support, guidance and access to training to ensure they understand their obligations in relation to safeguarding children and vulnerable adults.

Future plans

In 2021 we are planning on further focus on strengthening our PTA membership, ensuring it remains relevant to our members. Following the success of our Big PTA Raffle in 2020 and selling out of tickets, we

are planning on running the raffle again in 2021. To increase the number of tickets that can be sold we will need to obtain a licence from the Gambling Commission.

As our current strategy period ends we will be developing a new strategy for Parentkind during 2021 to build upon our achievements, particularly our increased profile as a result of the Pandemic. This strategic planning process is planned to commence in Summer 2021 with a series of staff and Trustee away days.

Trustees' responsibilities in relation to the financial statements

The Charity Trustees (who are also the directors of Parentkind for the purposes of company law) are responsible for preparing a Trustee's annual report and financial statements in accordance with applicable law and United Kingdom Account Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of incoming resources and applications of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP (FRS102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and the Memorandum and Articles of Association. They are also responsible for safeguarding the assets of the Charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

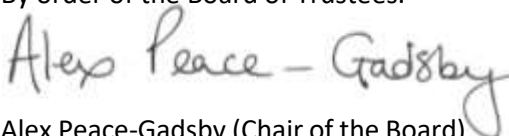

Statement as to disclosure to our auditors

In accordance with section 418 Companies Act 2006, the trustees confirm that, in the case of each of the persons who are trustees at the time when this report is approved, so far as each trustee is aware:

- There is no relevant audit information of which the company's auditors are unaware, and
- He/she has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board of Trustees.

Alex Peace-Gadsby (Chair of the Board)

Mos Somji (Chair of the Money Committee)

9th June 2021

Independent auditors' report to the members and trustees

Opinion

We have audited the financial statements of Parentkind (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, consolidated and charity balance sheets, consolidated cash flow statement and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We 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

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 or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have

performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 require 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees (who are also the directors of the parent 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 the 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 the 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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

| | |
|-----------------------|--------------------------|
| Chartered Accountants | 71 Queen Victoria Street |
| Statutory Auditors | London |
| | EC4V 4BE |

Date: 10 June 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities for the year ended 31 December 2020
(Incorporating the income and expenditure account)

| | Note | Total funds 2020 £ | Total funds 2019 £ |
|--|------|--------------------------|--------------------------|
| Income from: | | | |
| Charitable activities | 2 | 1,353,208 | 1,363,576 |
| Commercial activities | 3 | 142,360 | 130,844 |
| Investments | | 17,086 | 17,250 |
| Donations | | 6,329 | 7,500 |
| Total income | | 1,518,983 | 1,519,170 |
| Expenditure on: | | | |
| Charitable activities | 4 | (1,343,006) | (1,455,758) |
| Commercial activities | 3 | (95,967) | (123,896) |
| Total expenditure | | (1,438,973) | (1,579,654) |
| Net gains/(losses) on investments | 9 | 29,595 | 61,741 |
| Net income/(expenditure) for the year | | 109,605 | 1,257 |
| Transfer between funds | 13 | - | - |
| Net movement in funds | | 109,605 | 1,257 |
| Total funds brought forward 1 January | 13 | 1,118,701 | 1,117,444 |
| Total funds carried forward 31 December | 13 | 1,228,306 | 1,118,701 |

All activities for the years ended 31 December 2020 and 2019 relate to continuing operations.

In 2019 £10,000 was recognised as restricted grant income as part of income from charitable activities. This grant was fully spent on restricted charitable activities. In 2020 all income and expenditure was unrestricted.

Consolidated and Charity Balance Sheets as at 31 December 2020
Company number 3680271

| | Note | Group 2020 £ | Group 2019 £ | Charity 2020 £ | Charity 2019 £ |
|--|-------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | 387,805 | 398,168 | 387,805 | 398,168 |
| Investments | 9 | 514,007 | 469,405 | 515,007 | 470,405 |
| | | 901,812 | 867,573 | 902,812 | 868,573 |
| Current assets | | | | | |
| Debtors | 10 | 184,184 | 145,372 | 253,122 | 260,865 |
| Cash at bank and in hand | | 153,082 | 178,904 | 83,144 | 56,256 |
| Cash on deposit | | 235,920 | 185,229 | 235,920 | 185,229 |
| | | 573,186 | 509,505 | 572,186 | 502,350 |
| Creditors: amounts falling due within one year | 11 | (246,692) | (258,377) | (246,692) | (252,220) |
| Net current assets | | 326,494 | 251,128 | 325,494 | 250,130 |
| Total net assets | | 1,228,306 | 1,118,701 | 1,228,306 | 1,118,703 |
| Funds of the Charity | | | | | |
| Total funds (unrestricted) | 13 | 1,228,306 | 1,118,701 | 1,228,306 | 1,118,701 |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

As permitted by S408 Companies Act 2006, the charitable company has not presented its own profit and loss account and related notes. The charitable company's net movement in funds for the year was £109,605 (compared to £1,257 in 2019).

The financial statements on pages 19 to 32 were approved and authorised for issue by the Board of Trustees on 9th June 2021 and signed on its behalf by:



Alex Peace-Gadsby
Chair of the Board



Mos Somji
Chair of the Money Committee

Consolidated Cash Flow Statement for the year ended 31 December 2020

| | Note | Group 2020 £ | Group 2019 £ |
|--|-------------|-----------------------------|-----------------------------|
| Net cash provided by/(used in) operating activities | 16 | 26,809 | (120,399) |
| Cash flows from investing activities: | | | |
| Dividends from investments and interest | | 17,086 | 17,250 |
| Purchase of tangible fixed assets | | (4,019) | (9,382) |
| Purchase of intangible fixed assets | | - | - |
| Purchase of investments | | (15,007) | (14,312) |
| Proceeds from the sale of investments | | - | - |
| Net cash (used)/provided by investing activities | | (1,940) | (6,444) |
| Change in cash and cash equivalents during year | | 24,869 | (126,843) |
| Cash and cash equivalents at start of year | | 364,133 | 490,976 |
| Cash and cash equivalents at end of year | | 389,002 | 364,133 |

Notes to the Financial Statements for year ended 31 December 2020

1 Accounting policies

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed asset investments. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Trustees confirm that the Charity is a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. While we recognise a small reduction in our PTA membership during the year as a result of the impact of the Covid-19 Pandemic upon schools, we demonstrated our ability to flex our expenditure to match this reduction in income through careful scenario planning and budgeting. We anticipate that as restrictions upon society are relaxed as part of the Government's roadmap for recovery in 2021 our decline in membership will be reversed. Early signs of recovering membership numbers have been observed in the first half of 2021.

Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, Parentkind Enterprises Limited (PEL) company number 3884281, on a line-by-line basis. The Trustees consider that control exists due to the subsidiary being wholly owned, and there are no restrictions on the ability of the subsidiary to transfer funds or cash to the Charity. A separate Statement of Financial Activities, Income and expenditure account and cash flow statement for the Charity itself are not presented because the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Incoming resources

Membership income (net of discounts) is taken to the Statement of Financial Activities over the period of the subscription, taking into account the type of membership involved. Discounts are offered to member associations for payment of subscription fees by Direct Debit.

All grants received are credited to the Statement of Financial Activities upon receipt and where there is entitlement. Any gifts in kind received by the Charity during a financial period are recognised as income with a corresponding equivalent amount of expenditure. These are recognised at market value. All other incoming resources are accounted for when there is entitlement, receipt is probable and the amount can be reliably measured.

Resources expended

All expenditure is accounted for on an accruals basis.

Charitable activities includes expenditure on providing and developing member services, research into member opinions, engagement with key audiences, and promotion of Parentkind.

Governance costs include those incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Notes to the Financial Statements for year ended 31 December 2020 (continued)

Expenditure not directly attributable to charitable activities, including staff costs, governance costs and support costs, are allocated to each activity on the basis of estimated time spent on the activities as follows:

| | |
|-------------------------|---------------------|
| Membership services | 78.5% (2019: 82.9%) |
| PR, policy and research | 21.5% (2019: 17.1%) |

Investments

Investment funds surplus to operational requirements are invested in deposits in the name of Parentkind to optimise income or in investments selected by a professional investment manager as approved by the Board. Investments are stated at market value at the balance sheet date. The Consolidated Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Tangible fixed assets

Expenditure on the acquisition of individual fixed assets that are either trackable (for example via serial numbers) or that cost more than £1,000 are capitalised at cost. Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets excluding freehold land over their expected useful lives. It is calculated at the following rates:

| | |
|------------------------------------|--|
| Freehold property (buildings only) | 2% on cost (previously net book value) |
| Office equipment | 33% on cost |
| Furniture, fixtures and fittings | 20% on cost |

Fund accounting

Unrestricted funds are available to spend on activities that further any purpose of the Charity. Designated funds are unrestricted funds which have been set aside at the discretion of the Trustees for a specific, but not legally binding, purpose. Restricted funds are amounts which are specified by the donor to be used solely for particular projects undertaken by the Charity.

Pension costs

Employees of the Charity join a defined contribution 'money purchase' pension scheme upon starting their employment. The Charity contribution is restricted to the contributions disclosed in note 7. The costs of the defined contribution scheme are allocated to staff costs and represent the contributions payable by the Charity during the year. The Charity has no liability beyond making its contributions and paying across deductions for the employee's contribution.

Irrecoverable VAT

The Charity is partially exempt. Irrecoverable VAT is allocated to the appropriate cost categories.

Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the Financial Statements for year ended 31 December 2020 (continued)

Critical estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The value of land is estimated at 33% of the total property value, this judgement is based upon advice from a surveyor, who revalued the building in 2016. The depreciation policy for the building was changed from on net book value to the on cost basis, to better reflect the useful economic life. This change in estimation was applied from 1 January 2018 onwards.

2 Charitable activities

Membership subscriptions received are derived from the Charity's principal activity wholly undertaken in the UK. Direct Debit discounts were taken up by many members and are included in the discounts allowed.

| | Unrestricted funds | Total funds |
|----------------------------------|---------------------------|-------------|
| | £ | 2019 |
| | | £ |
| Members' subscriptions | 1,369,237 | 1,356,700 |
| Discounts allowed | (57,170) | (57,480) |
| Training | 1,886 | 19,106 |
| Grants/Contracts | 35,179 | 45,250 |
| Coronavirus Job Retention Scheme | 4,076 | - |
| Total charitable activities | 1,353,208 | 1,363,576 |

Notes to the Financial Statements for year ended 31 December 2020 (continued)

3 Incoming resources from activities for generating funds

The wholly owned trading subsidiary PEL, company number 3884281, is incorporated in the United Kingdom and pays all of its profits to the Charity by Gift Aid. PEL operates all commercial trading activities on behalf of the Charity. The Charity owns the entire share capital of 1,000 ordinary shares of £1 each. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

| | 2020 | 2019 |
|--|------------------|-------------|
| | £ | £ |
| Commercial activities | 142,360 | 139,961 |
| Donations | - | 1,500 |
| Cost of sales and administration costs | (95,967) | (123,896) |
| Net profit | 46,393 | 17,565 |
| Payment made via Gift Aid to the Charity | (46,393) | (17,565) |
| Retained in subsidiary | - | - |
| Current assets | 135,697 | 153,903 |
| Current liabilities | (134,697) | (152,903) |
| Total net assets | 1,000 | 1,000 |
| Aggregate share capital and reserves | 1,000 | 1,000 |

Notes to the Financial Statements for year ended 31 December 2020 (continued)

| 4a) Analysis of charitable activities 2020 | Staff costs | Other direct costs | Governance & support costs (see note 4b) | Total 2020 |
|---|--------------------|---------------------------|---|-------------------|
| | £ | £ | £ | £ |
| Membership services | 610,119 | 221,304 | 131,242 | 962,665 |
| PR, policy & research | 275,914 | 60,752 | 43,675 | 380,341 |
| Total resources expended | 886,033 | 282,056 | 174,917 | 1,343,006 |

| Analysis of charitable activities 2019 | Staff costs | Other direct costs | Governance & support costs (see note 4b) | Total 2019 |
|---|--------------------|---------------------------|---|-------------------|
| | £ | £ | £ | £ |
| Membership services | 547,319 | 230,321 | 232,356 | 1,009,996 |
| PR, policy & research | 343,042 | 47,531 | 55,189 | 445,762 |
| Total resources expended | 890,361 | 277,852 | 287,545 | 1,455,758 |

| 4b) Analysis of governance and support costs 2020 | General support | Governance function | Total 2020 |
|--|------------------------|----------------------------|-------------------|
| | £ | £ | £ |
| Legal & professional fees | 28,727 | 6,217 | 34,944 |
| Meeting costs – venue hire, travel and catering | 9,188 | 2,514 | 11,702 |
| Staff training | 3,747 | 1,025 | 4,772 |
| Premises costs | 29,686 | 8,121 | 37,807 |
| IT and communications | 56,946 | 15,578 | 72,524 |
| General office | 814 | 223 | 1,037 |
| Audit fees | - | 12,131 | 12,131 |
| Total governance and support costs | 129,108 | 45,809 | 174,917 |

| Analysis of governance and support costs 2019 | General support | Governance function | Total 2019 |
|--|------------------------|----------------------------|-------------------|
| | £ | £ | £ |
| Legal & professional fees | 63,323 | 18,652 | 81,975 |
| Meeting costs – venue hire, travel and catering | 30,246 | 9,842 | 40,088 |
| Staff training | 8,504 | 2,767 | 11,271 |
| Premises costs | 32,723 | 10,648 | 43,371 |
| IT and communications | 57,920 | 18,846 | 76,766 |
| General office | 12,735 | 4,144 | 16,879 |
| Audit fees | - | 17,195 | 17,195 |
| Total governance and support costs | 205,451 | 82,094 | 287,545 |

Notes to the Financial Statements for year ended 31 December 2020 (continued)

5 Total expenditure

Included in total expenditure is the following:

| | 2020 | 2019 |
|--------------------------------------|--------|--------|
| | £ | £ |
| Audit fee (current year) | 11,950 | 11,500 |
| Audit fee (prior year under accrual) | 181 | 5,695 |
| Depreciation | 14,382 | 12,252 |
| Operating lease rentals | - | 629 |

6 Taxation

The company is a registered charity and as such is not liable to corporation tax on its income derived wholly from charitable activities.

7 Employees

The monthly average number of employees for the year was 27.4 (compared to 29.7 in 2019) and the monthly average Full Time Equivalent was 24.3 (compared to 26.6 in 2019) whose total remuneration was:

| | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Salaries and wages | 856,246 | 831,243 |
| Social security costs | 68,412 | 74,497 |
| Pension costs | 55,789 | 54,107 |
| | <u>980,447</u> | <u>959,847</u> |

No employees received emoluments which fell within the band £60,000 - £70,000 (2019: 0).

1 employee received emoluments which fell within the band £70,000 - £80,000 (2019: 0).

A payment for termination of employment of £9,456 was made during the year (compared to £nil in 2019). This is recognised as a salary cost.

During the year the charity recognised a liability to make a future termination payment to an employee totalling £3,500 (compared to £nil in 2019). This cost is recognised as a salary cost and included as an accrual within 2020.

The key management personnel of both the Charity and the group comprise the Trustees and the Executive Team. The Trustees are not remunerated. During 2020, we had three members of the Executive Team – the Chief Executive, the Executive Director of Corporate Services and the Executive Director of Programmes, Membership and Charitable Services. The total employee benefits of the key management personnel, including employer's national insurance contributions and pension contributions in 2020, were £231,224 (compared to £205,567 in 2019).

The Charity operates a defined contribution pension scheme in respect of employees. The scheme and its assets are held by independent managers. The number of employees, to whom benefits were accruing under a money purchase pension scheme was 23 (2019: 25).

Notes to the Financial Statements for year ended 31 December 2020 (continued)
8 Tangible fixed assets (Group and Charity)

| | Freehold property | Furniture, equipment, fixtures & fittings | Total |
|-----------------------|----------------------|---|----------------|
| Cost | £ | £ | £ |
| At 1 January 2020 | 456,559 | 32,534 | 489,093 |
| Additions | - | 4,019 | 4,019 |
| Disposals | - | (7,183) | (7,183) |
| At 31 December 2020 | 456,559 | 29,370 | 485,929 |
| Depreciation | | | |
| At 1 January 2020 | 73,847 | 17,078 | 90,925 |
| Charge for year | 6,088 | 8,294 | 14,382 |
| Disposals | - | (7,183) | (7,183) |
| At 31 December 2020 | 79,935 | 18,189 | 98,124 |
| Net book value | | | |
| 31 December 2020 | 376,624 | 11,181 | 387,805 |
| 31 December 2019 | 382,712 | 15,456 | 398,168 |

All assets are used in the administration of the Charity. Freehold land is held at a value of £152,186 and is not depreciated.

9 Fixed asset investments

| | Group and Charity Listed investments | Charity Subsidiary company | Charity total |
|-----------------------------------|--|----------------------------------|----------------|
| Market value | £ | £ | £ |
| At 1 January 2020 | 469,405 | 1,000 | 470,405 |
| Additions | 15,007 | - | 15,007 |
| Net gains/(losses) on investments | 29,595 | - | 29,595 |
| 31 December 2020 | 514,007 | 1,000 | 515,007 |
| Historic cost | | | |
| 31 December 2020 | 443,319 | 1,000 | 444,319 |
| 31 December 2019 | 414,000 | 1,000 | 415,000 |

Notes to the Financial Statements for year ended 31 December 2020 (continued)

The Charity holds investments in the Alpha Charity Authorised investment funds for Endowments Long Term Reserve managed by Sarasin & Partners LLP.

The Charity owns 100% of the issued share capital of PEL and the balance of reserves at 31 December 2020 was £1,000. The Charity is also the sole member of Parent Teacher Associations UK (PTA UK) which is a company limited by guarantee. Parent Teacher Associations UK does not have any share capital and the liability of Parentkind is limited to the sum of £1. During this accounting period PTA UK remained dormant.

10 Debtors

| | Group | Group | Charity | Charity |
|---|----------------|----------------|----------------|----------------|
| Amounts falling due within one year | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade debtors | 42,197 | 1,682 | - | 1,224 |
| Balances due from subsidiary | - | - | 82,160 | 129,182 |
| Amount due from subsidiary under Gift Aid | - | - | 46,393 | 17,565 |
| Value added tax receivable | 2,891 | 2,223 | 9,035 | (4,467) |
| Prepayments and accrued income | 139,096 | 141,467 | 115,534 | 117,361 |
| | 184,184 | 145,372 | 253,122 | 260,865 |

11 Creditors

| | Group | Group | Charity | Charity |
|--|----------------|----------------|----------------|----------------|
| Amounts falling due within one year | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade creditors | 40,299 | 33,370 | 40,299 | 33,370 |
| Membership subscriptions paid in advance | 144,783 | 179,421 | 144,783 | 179,421 |
| Accruals and deferred income | 43,519 | 26,846 | 43,519 | 20,689 |
| Other taxation and social security | 18,091 | 18,740 | 18,091 | 18,740 |
| | 246,692 | 258,377 | 246,692 | 252,220 |

12 Membership subscriptions paid in advance

| | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Balance at 1 January | 179,421 | 161,840 |
| Amount released to income earned from charitable activities | (179,421) | (161,840) |
| Amount deferred in year | 144,783 | 179,421 |
| Balance at 31 December | 144,783 | 179,421 |

Notes to the Financial Statements for year ended 31 December 2020 (continued)
13 Analysis of charitable funds
a) Analysis of group net assets between funds

| | Total and unrestricted 2020 £ | Total and unrestricted 2019 £ |
|---|--|--|
| Investments | 514,007 | 469,405 |
| Tangible fixed assets | 387,805 | 398,168 |
| Cash | 389,002 | 364,133 |
| Other net current assets/(liabilities) | (62,508) | (113,005) |
| At 31 December | 1,228,306 | 1,118,701 |

b) Analysis of movements in funds

| | Total and unrestricted 2020 £ | Total and unrestricted 2019 £ |
|-----------------------|--|--|
| At 1 January | 1,118,701 | 1,117,444 |
| Net movement in funds | 109,605 | 1,257 |
| At 31 December | 1,228,306 | 1,118,701 |

c) Analysis of unrestricted funds

| | General fund £ | Development fund £ | Fixed Asset fund £ | Total £ |
|-----------------------|-------------------------------|-----------------------------------|-----------------------------------|--------------------|
| At 1 January 2019 | 983,622 | 133,822 | - | 1,117,444 |
| Net movement in funds | (263,089) | (133,822) | 398,168 | 1,257 |
| At 31 December 2019 | 720,533 | - | 398,168 | 1,118,701 |
| At 1 January 2020 | 720,533 | - | 398,168 | 1,118,701 |
| Net movement in funds | 119,968 | - | (10,363) | 109,605 |
| At 31 December 2020 | 840,501 | - | 387,805 | 1,228,306 |

The unrestricted funds relate to free reserves, subject to designated funds, available to spend on any purpose of the Charity.

Notes to the Financial Statements for year ended 31 December 2020 (continued)

14 Transactions with Trustees and connected persons

The Trustees do not receive any remuneration. 4 of the 15 Trustees who served during the year received in total £859 (compared to 9 Trustees receiving £3,903 in 2019) as reimbursement for out of pocket expenses (travel and subsistence) while carrying out the Charity's business.

Included in both income and expenditure is £6,000 (2019: £6,000) relating to survey services gifted to the Charity by nfpSynergy, a research consultancy specialising in the not-for-profit sector, of which Joe Saxton is also a Director. These services would otherwise have been performed by Parentkind staff.

Other than the single related party transaction identified above, there were no other transactions with any persons and entities closely connected to the charity or its trustees.

15 Commitments

At 31 December 2020 the Charity had the following commitments payable relating to office equipment held under non-cancellable leases:

| | 2020 | 2019 |
|--|------|------|
| | £ | £ |
| Non-cancellable operating leases which fall due as | | |
| within one year | - | 472 |
| two to five years | - | - |

16 Reconciliation of net incoming/(outgoing) resources to net cash flow from operating activities

| | 2020 | 2019 |
|--|-----------------|-----------|
| | £ | £ |
| Net incoming/(outgoing) resources for the year | 109,605 | 1,257 |
| Depreciation | 14,382 | 12,252 |
| (Gains)/loss on investments | (29,595) | (61,741) |
| Amortisation and impairment of intangible fixed assets | - | - |
| Dividends from investments | (17,086) | (17,250) |
| Decrease/(increase) in debtors | (38,812) | 60,644 |
| (Decrease)/increase in creditors | (11,685) | (115,561) |
| Net cash provided by/(used in) operating activities | 26,809 | (120,399) |

17 Analysis of changes in net debt

| | At start of year | Cashflows | At end of year |
|--------------|------------------|---------------|----------------|
| | £ | £ | £ |
| Cash | 364,133 | 24,869 | 389,002 |
| Total | 364,133 | 24,869 | 389,002 |

Notes to the Financial Statements for year ended 31 December 2020 (continued)

18 Limited by Guarantee

The Trustees are members of the Charity. Every member promises, if the Charity is dissolved while they remain a member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while the contributor was a member. The total of such guarantees at 31 December 2020 was £15 (compared to £13 in 2019).

19 Financial instruments

| | Group | Group | Charity | Charity |
|--|----------------|---------|----------------|---------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Financial assets measured at fair value | | | | |
| Investments | 514,007 | 469,405 | 515,007 | 470,405 |