PARAYHOUSE SCHOOL

England & Wales · Charity number 1090757

Details

Status	Registered
Legal form	Charitable company
Company number	04270330
Registered	2002-02-21
Register	View on the Charity Commission register

Contact

Address	Ealing Hammersmith & West London College Gliddon Road London W14 9BL
Phone	02087411400
Email	charlie@alpha-accountants.com
Website	www.parayhouse.com

Activities

Objects: THE OBJECT FOR WHICH THE COMPANY IS ESTABLISHED IS TO ADVANCE EDUCATION BY CARRYING ON IN GREAT BRITAIN A SCHOOL OR SCHOOLS AT WHICH INFANTS, CHILDREN AND STUDENTS MAY OBTAIN EDUCATION AND INSTRUCTION IN ACADEMIC, SPORTING, MUSICAL, CULTURAL, SCIENTIFIC, TECHNICAL, RELIGIOUS, VOCATIONAL, SOCIAL AND COMMERCIAL SUBJECTS ACTIVITIES AND CRAFTS OF EVERY DESCRIPTION.

Activities: The principal activity of the charity is to provide infants, children and students, education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational social and commercial subjects, activities and crafts of every description.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People, People With Disabilities

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Geography

- **Area of benefit:** GREATER LONDON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,987,351	£1,794,120	£1,905,443	45
2024-08-31	£1,883,823	£1,772,382	£1,712,212	44
2023-08-31	£1,797,789	£1,786,639	£1,600,771	44
2022-08-31	£1,681,066	£1,658,043	£1,589,621	45
2021-08-31	£1,813,383	£1,512,844	£1,566,598	39
2020-08-31	£1,717,456	£1,313,646	£1,266,059	35

Trustees

Name	Role	Appointed
Dr Daniela Schwartz		2014-07-02
Elena ErmakoVa		2025-03-11
Emma Dawn		2025-03-11
Holly Bristow		2022-10-13
Jakub Koper		2021-12-02
Raphael Pasquier		2025-03-11
STEVEN PALMER HUSSEY		2017-06-27
Tamsin Keogh		2026-03-10
Verity Carnevale		2022-10-13
Victoria Coleman		2024-03-12
Victoria Morgan		2026-03-10

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PARAYHOUSE SCHOOL

England & Wales - Charity number 1090757

Accounts

Company registered number: 04270330
Charity registered number: 1090757

PARAYHOUSE SCHOOL

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2025

PARAYHOUSE SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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PARAYHOUSE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2025

Chair of Trustee Governors	Ms D Schwartz
Vice Chair of Trustee Governors	Ms H Elansari

Board of Trustee Governors: A full list is provided on page 14 of this report

Co-Headteachers	Ms H Bristow Ms V Carnevale
Charity number	1090757
Company number	04270330
Registered office	Hammersmith & Fulham College Gliddon Road London W14 9BL
Auditor	Haralambos Hambi Alpha Accountants (London) Limited 585a Fulham Road Fulham London SW6 5UA
Bankers	HSBC Bank UK plc 315 Fulham Road Chelsea London SE10 9QJ
Solicitors	Veale Wasbrough Vizards 86 Fetter Lane London EC4A 1AD

PARAYHOUSE SCHOOL

INTRODUCTORY OVERVIEW

FOR THE YEAR ENDED 31 AUGUST 2025

Parayhouse School is a non-maintained special school for students with significant speech, language and communication needs, moderate/severe learning difficulties and associated social, emotional, behavioural and medical difficulties. The school caters for students from 7-16 years of age.

Parayhouse School is committed to ensuring that each and every student reaches his or her full potential. The school delivers its mission in three essential ways:

(1) It provides a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) It creates a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) It establishes close working relationships between parents, carers, students and staff to support learning and behaviour at home as well as at school.

The school is governed by a registered charity, which takes the school's name, and is run by a Board of Trustee Governors. Senior leadership of the school and its staff are ultimately accountable to this Board and work closely together to actively manage the risks the school faces and help to deliver the co-Headteachers' vision and development of the school.

PARAYHOUSE SCHOOL

CHAIR OF TRUSTEE GOVERNORS' STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2025



"We place the education and wellbeing of our students front and centre in all that we do.

In this context, we are excited to have finalised our growth strategy for Parayhouse School, which will entail the provision of a sixth form, as well as a training centre to share our SEND expertise with mainstream schools and other SEND providers."

Daniela Schwartz
Chair of Trustee Governors

This has been another year of development and thinking ahead to ensure that Parayhouse School not only delivers the best education for our students but also represents a future-fit organisation - the initiation of our long-term ICT strategy with the integration of artificial intelligence in our teaching and our students' learning is one example. The Trustee Governors also commend the continued focus of our senior leadership team on equality and inclusion. The targeted support for neurodivergent staff and the broader commitment to being a fully inclusive employer demonstrate a genuine culture of care and respect.

Equally, it has also been wonderful to see the positive impact of returning and newly-appointed colleagues, particularly within Leadership and our specialist area Speech and Language Therapy. Likewise, the deepening of our positive behaviour support approach - through staff training, leadership development, and cross-disciplinary collaboration - has reinforced the calm, supportive environment in which our students thrive. Furthermore, the Trustees Governors are particularly excited about the growing engagement with stakeholders beyond our school through a renewed focus on network with other SEND providers and through the expansion of our social media presence to contribute to the public debate about the future direction of SEND support in the UK.

As Chair of the Trustee Governors Board, I also want to call out the outstanding efforts of our headteachers and our FLM committee, led by Steve Hussey, to find a new school site that will allow us to expand. This continues to be a tiring and often frustrating process, and I applaud the dedication and persistence of our FLM committee members who have been engaging with Local Authorities, various dioceses, and other external stakeholders for over two years now.

Finally, we are all aware that the cost environment has been challenging since the end of the pandemic and the UK's decision to leave the EU. However, we are pleased to report again that the charity and our school continue to be in a healthy financial situation, allowing us to ringfence money for our anticipated move to new premises and to offer a first class SEND provision to more children going forward.

On behalf of the Board of Governor Trustees, I express our sincere gratitude to our outstanding team of teachers, learning assistants, therapists, senior and middle managers, and administrative staff for their dedication, professionalism, and tireless commitment throughout the 2024/25 school year. The progress outlined by our Headteachers is a testament to everyone's hard work, creativity, and shared vision to equip our students with skills that will help them to live a happy and fulfilled life.

Daniela Schwartz
Chair of Trustee Governors

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2025





Holly Bristow **Verity Carnevale**

As we reflect on the academic year 2024–25, we are proud of the progress made across key strategic areas and the continued commitment of our staff to delivering high-quality, inclusive education.

A significant development this year has been the initiation of a longer-term ICT strategy. This includes laying the groundwork for a whole-school approach to artificial intelligence, ensuring our staff and students are equipped to engage with emerging technologies in meaningful and ethical ways. This foundational work will continue into the next academic year as we explore how AI can enhance learning, operations, and accessibility.

In line with our ongoing commitment to equalities, we have taken further steps to ensure we are a fully inclusive employer. This includes targeted support for neurodivergent staff, with plans to expand this work in 2025–26. We remain dedicated to fostering a workplace culture where all staff feel valued and supported. The return of one of our middle leaders from maternity leave provided a welcome boost to our operational capacity. Their leadership has been instrumental in driving forward the embedding of key policies and practices, particularly in the latter part of the year.

We have strengthened our Speech and Language provision with the addition of a new speech therapist, creating a robust and diverse team with a wide breadth of expertise. Looking ahead, the team will be expanding the range of strategies used to support student development, including broader implementation of AAC (Augmentative & Alternative Communication) and targeted work around specific disorders such as stammering.

Our positive behaviour support philosophy has been further embedded into practice through a comprehensive programme of staff training, leadership observations, and policy updates. This work will continue into the next academic year, with a particular focus on reviewing the role of therapies in supporting consistent and effective behaviour strategies.

We have begun to build our social media presence and will be exploring additional avenues to raise awareness of our provision. This includes outreach initiatives, the potential development of a training centre, and strengthening relationships with key partners and stakeholders. We also hope to support Governors in promoting the school and identifying new premises to enable our growth plans, including the establishment of a sixth form.

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2025

We continue to process a high volume of consultations. Given the increasing complexity of student needs, we will be reviewing our fee structure to ensure we can continue to provide high-quality support while maintaining the long-term financial stability of the school.

As we look ahead to 2025–26, we remain focused on innovation, inclusion, and excellence. We are excited about the opportunities to further develop our provision and strengthen our community.

Holly Bristow & Verity Carnevale
Co-Headteachers

Trustee Governors' Report

The Trustee Governors (who are also directors of the charity for the purposes of the Companies Act 2006) present their report and accounts for the year ended 31 August 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Charitable Objects

The object for which the charity is established is to advance education by carrying on in Great Britain a school or schools for the public benefit at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description. The charity provides a specialist education for students with speech, language and communication needs, moderate and severe learning difficulties and behavioural, emotional & social difficulties.

Aims of the charity

The school's primary aim is to provide a first-class education by high quality tuition and by developing sporting, artistic and social/ life skills in all its students. The school intends to provide an environment where each student can develop and fulfil his or her potential, to help build self-confidence, independence, and social awareness. The school focuses its work on preparing students with special educational needs for the challenges they will meet when leaving school. The school recognises that it is the development of social, language and thinking skills that enable students to express themselves, to understand and to function optimally in the world.

We also believe in the power of collaborative practice. Together, we face challenges, celebrate achievement, and aspire to do our very best.

We deliver our mission in three essential ways:

(1) We provide a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) We create a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) We establish close working relationships between parents, carers, students and staff to support learning and behaviour.

Strategies for achieving aims and objectives

(1) Ensure that all of our staff are given access to the training and equipment required for their roles and that there are opportunities available for their personal future development;
(2) Ensure that we use the most appropriate and effective tools for the safeguarding, teaching and assessment of our students;
(3) Create a safe and positive environment for all of our staff and students, with a welcoming, collaborative and open approach;
(4) Implement a programme to ensure the school always has access to the therapists that it needs and which are key to its offering;

(5) Review and evaluate proposed growth opportunities for the school that enhance and expand our student experience;
(6) Identify and secure new Central London premises for the existing school, with additional growth capacity;
(7) Be proud of what we do and build a strong identify/ brand with a regular programme of contact/ communication with all stakeholders, e.g. Local Authorities, existing/ potential parents, local schools, neighbours;
(8) Maintain a close and positive working relationship between the senior management of the school and its governing body

Compliance with Charity Commission guidance

The Trustee Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Staff involvement

One of the keys to the school's success is the aim to foster an engaged and highly motivated staff. By consulting staff, including more regular use of staff surveys, we endeavour to get feedback on a regular basis, not only in ways we can improve the learning experience for our students, but also to improve the well-being of staff. The senior leadership team aims to be pro-active in making sure staff are kept informed of the school's progress. We seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the school's performance.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other staff.

Grant making policies

The school does not currently have a grant making policy.

Use of volunteers

A number of parents and carers of children attending the school volunteer to provide support for various activities during the year. The Trustee Governors would like to take this opportunity to say how much we appreciate their continuing and valuable support for our work. Furthermore, a regular number of students from within higher education are offered unpaid, temporary work experience placements.

Fundraising

Historically, the school has not had an organised fundraising function. In general, we have been able to maintain strong unrestricted reserves that allow us to fund specific projects and activities as they arise, as well as using restricted grants to fund other specific projects. We anticipate that some of these unrestricted reserves will be used when we move premises and so we would look to establish a formal fundraising function thereafter. In the short- to medium-term these are likely to be focused on applying for various grants to match-fund specific projects and activities as they arise.

Main Achievements

- The school has continued to operate without any serious safeguarding issues, which is testament to the procedures and policies in place, as well as comprehensive training for staff and Trustee Governors;
- Our comprehensive programme of SMSC events has supported our students' wider development. Events included charity days, celebration assemblies, and focus weeks;
- Following on from establishing our curriculum leads we have introduced a Lead Learning Support Assistant role in each class to support the teachers and help line-manage other LSAs with an additional pay award attached to formalise the role and its expectations;
- We have placed all our leavers in appropriate post-16 settings and have supported them, and their parents, throughout the transition, with workshops, activities, visits and tailored advice;
- We have recruited an additional Speech and Language Therapist to build a strong team of five, with a wide range of expertise and training;
- The school has processed a high number of consultations for places and secured seven new students for the next academic year, taking the total to 50 students;
- Led by our assistant head, we have continued to make excellent progress in establishing clear curriculum pathways for our students and producing new curriculum maps to provide clarity around coverage and progression of learning. Our focus has been on embedding SaLT into all curriculum maps and embedding individual OT and sensory integration strategies across the school with an LSA taking on more responsibility for implementing the plans;
- We have introduced a school therapy dog who has settled successfully into the school and is supporting students' social communication skills, emotional wellbeing and functional skills;
- The return of our Operational Support Manager from maternity leave has allowed to us work on streamlining and reorganising our EHCP review processes to best support families in a timely way, in the midst of an often challenging system;
- We have restructured our parents' evenings to maximise this face-to-face meeting opportunity - offering time to talk to a range of professionals, information and workshops on aspects of school life and 1-2-1 sessions with key staff if required;
- Our SaLT team are working closely with Smartbox (an AAC specialist) and we are embedding whole school total communication approach using the Smartbox resources including communication books/boards and hi tech AAC. This is linked to our ICT strategy to roll out to the whole school over the next 3 years.
- We have applied for and started the process of achieving the Leading Parent Partnership accreditation which will be completed by Easter 2026;
- The school is committed to its equalities and diversity objectives and is proud to be an inclusive employer - we have updated our recruitment procedures and staff support strategies to ensure a staff team who feel valued, encouraged and confident in their roles;
- We have continued to embed a Positive Behaviour Support model, which sees staff employing a relational approach to behaviour management influenced by trauma informed approaches. This approach allows us to focus on behaviour as communication, supporting students to better access learning opportunities and feel safe and understood in our environment; and
- Having re-established school trips and annual residential trips a couple of years ago(post-Covid), we built further upon these enjoyable outings, which offer students invaluable experiences and opportunities to support learning and work on life-skills and social interaction.

Criteria used to measure success

- The school has been able to maintain strong student numbers (at or near capacity), as well as continuing to attract high numbers of referrals and applications for places from prospective students. This continues to reflect positively on the quality of teaching, therapy and support provided, which is helping students progress and strive to reach their full potential;
- Aside from strong progress against student Individual Education Plans (IEPs), we are encouraged by the ability of student leavers to find good post-16 provision in other schools;

- We continue to conduct staff, student and parent surveys, and we are proud about the positive feedback we receive;
- We have been able to maintain a core stable and contented staff base and are encouraged by our ability to attract quality new staff, especially in-demand therapists, which is testament to the school's welcoming atmosphere and opportunity for staff advancement;
- We also place great importance on periodic Ofsted inspections and feedback (positive reinforcement), which provide an invaluable independent assessment of the school's progress;
- The charity retains a significant surplus of unrestricted funds, which provides reserves to cover unforeseen losses or required expenditures, as well as allowing the school to run budgeted short-term deficits in more volatile periods.

Plans for the future

In the short- to medium-term the school's leaders are focused on continuing to expand and embed a range of speech and language strategies and targeted interventions, in particular expanding our implementation of AAC device-use and supporting families to utilise these at home. We will be focusing on the development and improvement of a holistic curriculum for the school, with an emphasis on how therapeutic input can be used to support students' learning and behaviour throughout the whole school day. We continue to review our curriculum and delivery of learning to ensure it is offering our students the best chances for progress and success.

As ever, we remain committed to providing a safe, nurturing environment which challenges and supports our students in their development with functional skills and language and communication at its core. Alongside this, we remain committed to recruiting and retaining motivated, engaged, enthusiastic and skilled staff, offering a rewarding work environment and providing opportunities for career advancement.

We have begun work on planning and developing a therapeutic out-reach and consultancy service. We aim to support mainstream schools and other SEN providers in meeting the needs of students with Speech, Language and Communication Needs (SLCN) and the associated challenges they face. We anticipate that we might offer a number of different support "packages", tailored to the needs of each provision, to include (but not limited to) workshops and training, advice, consultation, resource development, assessments, coaching and mentoring. In the initial phase we are consulting with potential interested parties to gauge the right level of support, how we will cost it and timetable required staff involvement. We are also starting to build a first round of ready made packages that we can trial and use to promote the concept.

We also continue to explore the potential to expand the school in a number of different areas, including: (i) potentially providing a sixth class within our current pre-16 provision; (ii) the creation of a post-16 provision; and (iii) the potential to expand the current age range by offering a class for early-years pupils. These would require additional space (both internally and externally), which is not available in our current setting on the Hammersmith & Fulham College campus. Also, given that our current lease at the site comes to an end in September 2026, we continue our search process for an alternative site for the school, which will provide the necessary space to accommodate these expansion plans.

Given the current spate of primary school closures in London, as primary age student numbers decline, we have identified vacated primary school sites as a key focus in our search. While these would likely require some re-modelling to accommodate our educational needs, they do, on the whole, offer the required internal and external space we are looking for, in order to grow our offering. We are engaging with local authorities, dioceses and multi-academy trusts (MATs) that own these sites, building dialogues and relationships, to explore the potential to lease or buy one of these vacated sites. We are cognisant that most of these sites in our current search area (West- and South-West London) are a valuable asset for their owners and that there is demand from other SEN and mainstream, early-years educational providers, as well as the potential to re-purpose the sites for a commercial and/ or residential use. Aside from the social benefits we provide, we see strong and growing demand for our offering, which supports our business case.

Financial Review

The charity's financial aim is to maintain sufficient "unrestricted" reserves to provide flexibility for the school to operate through various scenarios (e.g. a temporary lack of funding, reduced student numbers, uninsured costs in a disaster or unforeseen scenario), as well as to support the school in achieving its medium- and long-term objectives from time to time (e.g. school improvement, school expansion, capital projects). Our reserves policy (see below) sets out this minimum requirement and is calculated on an annual basis based on the financial year budget.

Our annual accounts, in terms of our income statement, are fairly straight-forward: with revenue/ income driven mainly by student numbers and fee levels, and expenses largely driven by staff costs. We generally budget to break-even or to generate a small net surplus in most years to help build reserves. However, we are cognisant that there may be years where we might make a net deficit, or perhaps make a much larger surplus than budgeted for. The latter generally occurs when we take on extra students during the course of the school year, with relatively low related costs (i.e. un-budgeted) and/or where we receive un-budgeted grants.

As outlined above, potentially moving to larger premises some time over the next couple of years will likely incur sizeable costs, hopefully to be largely covered by the designated premises reserves we've built up. Nevertheless, we would expect higher annual lease costs for larger premises and to take on additional staff as/when we expand our offering, with related student fee income potentially coming in on a lagged basis. This might be a specific example of where maintaining significant unrestricted reserves will prove their worth in allowing us to carry on a business-as-usual basis.

Review of financial position

For the financial year 2024-25 the charity reported a surplus of £193,231 (vs £111,441 surplus in FY2023-24), which, as retained income, boosted our net assets (total reserves) to just over £1.9mln, which are split between unrestricted reserves of £1,810,770 and restricted reserves of £94,673. We would expect to run down the latter over time as we allocate those reserves (grants) to specific projects and as we look to better match grants received during the year, within a shorter timeframe.

Aside from working cash held in the school's bank account to cover short-term expenses, the majority of our unrestricted reserves are held on the CAF Flagstone investment platform, which allows us the flexibility to allocate amounts up to the £85,000 insured limit per account across a wide number of individual bank savings accounts in an efficient manner. We maintain a diversified portfolio of accounts by maturity, including a proportion on instant access or short maturities to cover potential cash strains in the school.

Another way of thinking about total **net** assets of £1,905,443 is to consider the charity's balance sheet, and specifically the difference between its total assets of £2,069,542, split between: -

- Tangible assets of £63,851 (incl. leasehold improvements of £41,698); plus
- Cash balances of £1,814,302 (retained annual net surpluses); plus
- Debtors – accounts receivable and accrued income of £133,668; plus
- Current assets of £57,721;

And its total liabilities of £164,099 (all due within one year and an increase from the £67,441 at end FY2023-24).

Significant items arising during the year

1. VAT on school fees

In July 2024 the new UK government announced that, as of 1st January 2025, all education provided for a charge (fee) by a private school in the UK will be subject to VAT at the standard rate of 20% (previously exempt under 1994 VAT Act). "Private" schools in this instance include "Non-Maintained Special Schools" (NMSS), such as our school, and so we had to implement the new tax on fees charged to local authorities and/or parents.

Where placed by a local authority with the school through an Education, Health & Care Plan (EHCP) (where the pupil's needs can only be met in a private school), the local authority is able to reclaim the VAT on fees from HMRC. However, complexities arise where parental preference comes into play. Where two schools are named in the EHCP - one maintained or state-funded, and the other private - and the parental preference prevails despite the local authority determining that the state school would be sufficient to meet needs, the financial responsibility shifts. In such instances, parents are typically expected to cover the cost of fees for the private school, and, under the new rules, this includes the additional 20% VAT.

Where the school has applied VAT to the fees charged to a local authority, and which the local authority will reclaim back from HMRC, we then are liable to pay the VAT received back to the government (so, in effect, it is a net zero sum gain for the government as they cover the local authorities' reclaim-payments). The school has to make these VAT returns to the government on a quarterly basis during the financial year.

Ahead of the introduction of this VAT application, the school registered for VAT in November 2024, which allows it to access pre-registration "input tax recovery" options that were previously unavailable (e.g. capital expenditure and the purchase of educational supplies) – during the FY2024-25 the school reclaimed around £13,500 on prior expenses. In part, this helped off-set some of the cost of the additional administrative burden the school faced in setting up this new VAT system (including accountancy and legal fees), as well as the opportunity cost of school staff diverted to make sure the school was in compliance.

Alongside these VAT changes, the government also announced that schools in England with charitable status would lose their eligibility to business rates charitable relief (which provides an 80% discount on the rates they pay on their premises) from April 2025, subject to parliamentary passage of separate legislation. Nevertheless, under our current lease agreement, we are not liable for business rates.

2. Core Schools Budget Grant (CSBG)

The Core Schools Budget Grant (CSBG) is a new government funding payment in England, introduced in 2024, that supports schools with increased costs, including those from the National Insurance contributions (NICs) and teachers' pay awards. For "non-maintained special schools" (NMSS), such as our school, this is funded directly by the DfE.

This new grant was in addition to the existing Teachers' Pay Additional Grant (TPAG) and the Teachers' Pension Employer Contribution Grant (TPECG), which were granted up to and including the FY2024-25, but which will be formally combined into the CSBG from FY2025-26 (to simplify the process), but no decision has been made by the government on whether the grant will be continued further into the FY2026-27.

The school received a TPAG payment of £35,475 in November 2024, which we believe was part of the CSBG plan and then a specific CSBG payment, of which £49,691 being in relation to FY2024-25.

3. Interest received on bank deposits

The charity places unrestricted reserves on deposit across a number of bank accounts via the CAF Flagstone platform. This conveniently allows us to allocate balances, up to an insured maximum of £85,000 per account, diversified across different maturities. The underlying Bank of England base rate (upon which individual banks benchmark savings account interest rates) rose rapidly from late 2021 (from 0.1% post-Covid), peaking at 5.25% in August 2023, plateauing there for a year, before a slow and steady decrease to 4% by end-August 2025.

As such, interest rates on bank deposit accounts rose during this period and the school was able to benefit from a surge in interest income from our invested reserves. For the FY2024-25 we recorded interest income of £87,748 (£43,746 in FY2023-24), with a number of longer-dated accounts maturing that we had invested in during the previous financial year.

Annual net surplus

As reported above, the school recorded an annual net surplus for the FY2024-25 of £193,231 (vs £111,441 surplus in FY2023-24), which compared with our FY2024-25 budget that projected a small deficit of £32,643. This significant variance was largely the result of the much higher than expected interest income on invested reserves (£87,748) (as discussed above), as well as well-controlled costs. The net surplus can be split into: (1) a surplus of £203,073 on unrestricted activities (that includes the CSBG and interest income); and (2) a deficit of £ (9,846) on restricted activities (i.e. grants with a defined criteria for spend).

Income generation

During the year under review unrestricted income totalled £1,940,054 (FY2023-24: £1,663,605), with the YoY increase (+£276,449 or +16.6%), mainly driven by the unexpected CSBG and interest income, as described above. Other income, principally student fees, was broadly in-line with budget. Restricted income totalled £47,297 (FY2023-24: £220,218)

When considered together, unrestricted and restricted income is mainly made up of student fees from placing local authorities (£1,144,608 vs £982,861 in FY2023-24, with the increase reflecting YoY fee inflation, and was despite one fewer pupil on roll) and EFA student grants from the DfE (£480,833 vs £553,333 in FY2023-24, with the decrease reflecting fewer pupils), supplemented in FY2024-25 by the extraordinary CSBG and higher interest income from our CAF Flagstone savings accounts.

Expenditure

The total cost of operation of the school amounted to £1,794,120 (vs £1,772,382 in FY2023-24), representing a £21,738 or 1.2% increase YoY. Expenditure coinciding with unrestricted income/ operations of £1,707,572 (£1,489,148 in FY2023-24), an increase of £218,424 or 14.7% YoY, reflecting wage inflation, one more staff member on average over the course of the year, higher national insurance contributions from April 2025 and higher general inflation across many cost lines. Staff costs continue to account for the bulk of overall costs (~79% in FY2024-25), with the next largest cost items being premises costs (~6% of the total), and then a drop down to capital equipment (~3%), school lunches (~1.5%), staff courses (~1.5%) and Insurances (~1.4%), and then a further drop down to a host of smaller line items.

Nevertheless, this increase in unrestricted expenditure was more than off-set by a hefty decrease in restricted expenditure (-£196,686 YoY) as more costs were aligned with the unexpected CSBG (see above).

Historical 10-year view

£	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY 23-24	FY24-25
Net income	**129,028**	**101,640**	**121,755**	**239,741**	**403,810**	**300,539**	**23,023**	**11,150**	**111,441**	**193,231**
Fund balances	**399,113**	**500,752**	**622,508**	**862,249**	**1,226,059**	**1,566,598**	**1,589,621**	**1,600,771**	**1,712,212**	**1,905,443**
Restricted	81,837	97,569	99,283	133,823	166,289	174,984	123,698	167,535	104,519	94,673
Unrestricted	317,276	403,183	523,225	728,426	1,099,770	1,391,614	1,465,923	1,433,236	1,607,693	1,810,770
Av # students	48	45	47	56	51	55	53	52	53	52
Av # staff	31	31	33	36	35	39	45	44	44	45

Reserves policy

Beyond our aim to continue as a going concern, our reserves policy sets out minimum unrestricted reserves, which are calculated by considering the following scenarios:

(1) A temporary loss of income: reserves required to cover 3 months of operating costs;
(2) A temporary reduction in student numbers: reserves required to cover a temporary reduction in income as a result of a 20% reduction in numbers;
(3) Sudden school closure: Separately, we calculate closure costs (staff redundancy and other costs, e.g. service-level agreements, leases) over a run-off period (6 months). This reserve is considered fungible with (1) and (2) above, as it would only occur in a closure and so would negate the need for (1) and (2); and
(4) Other operational risks not currently covered by insurance, if appropriate.

Based on these scenarios, we calculate the minimum unrestricted reserves required to be just shy of £800,000. In addition, we calculate an amount of "designated" unrestricted reserves, separate from this general pool, specifically designated to help achieve our medium- and long-term objectives and which currently cover three main areas: (i) premises move; (ii) school expansion project; and (iii) school outreach project. These totalled close to £750,000. As such, together we estimate required unrestricted reserves to total close to £1.55mln as of 31st August 2025. At this date we reported unrestricted reserves of £1.81m and so comfortably exceed this minimum requirement.

As part of the above consideration, we also factor that these reserves provide a reasonable period of time for staff to apply for alternative employment and for students to be placed in an alternative provision. It assumes that student funding ceases over the period, which might not be the case.

Investment policy

The Trustee Governors have overall responsibility for the investment of the charity's cash balances, other unrestricted reserves and any unspent restricted reserves. In turn, this responsibility is delegated to its Finance, Leadership & Management (FLM) sub-committee to monitor on an on-going basis. This sub-committee reports to the Board of Trustee Governors on a periodic basis, including a summary of the various investments, their performance and risks.

The FLM sub-committee's primary investment objectives are:

(1) To ensure adequate cash balances are available in an approved bank account to cover day-to-day working capital requirements of the school's operations, without the account becoming overdrawn; and
(2) To protect the real long-term capital value of the unrestricted reserves, minimising risks and optimising returns, with due consideration taken of the flexibility and term of investments.

The committee analyses and monitors the various market risks associated with these investments on an on-going basis, with working cash balances and other unrestricted reserves distributed across potentially three main investment types, depending on the total balances at-hand: -

(1) Bank current/ business accounts;
(2) Savings accounts and other similar savings vehicles; and
(3) Investment funds.

Historically, given the relatively limited unrestricted reserves available (at least by the levels required to employ an external investment mandate) and the low-risk appetite, the majority has been placed in (1) and (2) above. Given the administrative burden of applying for individual saving accounts (in (2) above), we invest across bank savings accounts offered on the CAF Flagstone investment platform, which allows us to allocate balances across a wide range of accounts in a timely and efficient manner (albeit constrained to a max £85,000 insured limit per account). As/ when these unrestricted reserves grow in value more significantly above our projected minimum requirements (see Reserves policy above), the FLM sub-committee would expect to explore options within (3) above, albeit with a focus on capital preservation and risk diversification. At this time external professional advice would be sought as a key input to any decision.

Investment returns

For the FY2024-25, balances invested on the CAF Flagstone investment platform (£1,472,636 as at 31 August 2025) returned £87,748 in interest (vs £43,746 in FY2023-24).

Going concern

After making appropriate enquires, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In the first instance this is based on the number of students on roll (both current and projected, given strong on-going demand for places) and their associated fees covering current and projected expenses of running the school. Beyond this, the charity's sizeable surplus funds provide more than additional comfort that the charity could cover any potential short-term deficits to continue as a going concern with no interruption to its core teaching provision. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Principal funding

The principal funding is from local authorities, with top-up school fees in some instances from parents, plus grants from the central Education and Skills Funding Agency (ESFA).

The statement of Financial activities for the year is set out on page 27 of the financial statements. A summary of the financial results and the work by the charity is set out below.

How principal sources of funding support the key objectives of the charity

- Fees from local authorities along with fees charged to parents facilitate the day-to-day running of the school, providing resources to cover staff salaries, teaching resources (incl. books, stationery supplies, computers) and other operating overheads.
- Grants received from the ESFA provide a top-up to fees received from placing local authorities and help subsidise student fees and enable disadvantaged students with parents who would not otherwise be able to afford the school's fees (i.e. on free school lunches) to benefit from the high-quality education provided.
- The Devolved Formula Capital grant enables the purchase of classroom and IT equipment to further learning.
- The Capital Maintenance grant ensures premises are fit for purpose and remain in good repair, and enable improvements for the benefit of the pupils, such as the construction of the all-weather playing surface.
- The Sports and PE grant facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.
- The Teachers' Pay and Teachers' Pension grants provide additional resources to build teachers' overall compensation.

Material Investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustee Governors see fit. The Trustee Governors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Review

Risk management

The Trustee Governors are ultimately responsible for the management of the risks faced by the school. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence (based on an in-house scoring model), and identifying means of mitigating risks. A record of these is kept in a risk register, which is formally reviewed at each main Board of Trustee Governor meeting, and by the three separate sub-committees of the main Board on a periodic basis. In addition, a comprehensive list of school policies is regularly reviewed and updated for best practice, including input from an independent, third party HR firm.

As of the balance sheet date, the key risks identified by the Trustee Governors can be split across three main categories as follows:

(1) **Strategic and reputational risks**, including, but not limited to: -
   (a) A major safeguarding or health and safety incident;
   (b) A future pandemic;
   (c) Competition risk arising from new or re-purposed schools in the area;
   (d) Loss of Chair of Trustee Governors and inability to promote or recruit a replacement;
   (e) A breach of staff code of conduct; and
   (f) A poor Ofsted inspection;

(2) **Operational risks**, including, but not limited to: -
   (a) A permanent loss of premises and/or inability to find new suitable premises when current tenancy ends;
   (b) A temporary loss of premises due to fire, flood or other emergency;
   (c) IT capability risk – out-dated/ unsupported systems causing loss of data and/or operational issue;
   (d) Breach of GDPR or e-security; and
   (e) Staffing issues, e.g. loss of multiple staff at one time and/or significant employment law issues;

(3) **Financial risks**, including, but not limited to: -
   (a) Financial fraud;
   (b) Loss of student numbers making the school's financial model unviable;
   (c) Reserves risk – lack of sufficient funds in reserves to allow school to carry on operations for a limited time under stress; and
   (d) Investment policy risk – capital loss by inappropriate investments of the charity's reserves.
   (e) Loss of key financial personnel.

Mitigating actions are regularly reviewed, assessed for appropriateness and updated where necessary, and with the proviso that some are a work-in-progress given the scale involved. Key strategies implemented to help mitigate some of these risks include, but are not limited to: -
   (i) Maintenance of a comprehensive set of reference policy documents;
   (ii) Continuous offering of staff and Trustee Governor training across all risk categories, as well as regular skills-gap audits;
   (iii) Access to independent, third-party specialist advice, e.g. in HR, IT, data protection (and cyber risk evaluation), insurance and property management;

(iv) Continuing development of senior management of the school and succession planning, where relevant, and including a review of recruitment and staff retention;
(v) Maintenance of a strong working relationship with the school's current property landlord (Hammersmith & West London College);
(vi) Creation of a business continuity plan, including search for alternative settings required in an emergency;
(vii) Expectation to be able to implement a fundraising strategy to help broaden the charity's resources and expand the school's offering;
(viii) A regular review of reserves and investment policies, with strict oversight and schemes of delegation, and ultimate approval/ ratification by the main Board of Trustee Governors;
(ix) Consistent control and forecasting of student numbers, frequent review of management accounts and budgets by an appointed school finance officer; and
(x) Monitor and evaluate student achievement on a termly basis, provide regular training to staff and create a staff culture where peer observation, feedback and discussion about learning are commonplace.

Through the risk management process outlined above, the Trustee Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised the systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

The Trustee Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are broadly satisfied that systems and procedures are in place to mitigate our exposure to these major risks. Nevertheless, the Trustee Governors are acutely aware of the need to continually review and, where necessary, evolve these risk mitigations to enhance overall risk management. This includes working closely with the school's senior leadership team, which takes ownership of many of these mitigating actions on a day-to-day basis, as well as helping it to shape and attain key strategies on its School Improvement Plan and to draw up a longer-term vision for the school.

No means exhaustive and very much aspirational realising that we are at the start of a long journey, but we aspire to transform school values and champion sustainable behaviours through a number of broad ambitions to include:

- Trustee Governors and the senior leadership team of the school to lead by example and support the drive to embed culture change across the school, including to ensure that relevant sustainability issues feature on the agenda of Full Board and sub-committee meeting, where relevant – in effect applying an ESG lens to all we do, as well as continuing to embed and promote a strong compliance culture across the school.

- Continue to promote staff engagement (surveys, conversations etc.), an inclusive ("speak-up") culture, diversity, empowerment (offer leadership opportunities), remain committed to fair and equal pay, and create an attractive workplace that aids staff well-being (mental health) as much as possible.

- Continue to focus on maintaining the strength of our balance sheet and financial position that provide the security and stability to support the school as a going concern over the long-term and help make it resilient to various risks. We are acutely aware of our 40-year history and our stewardship of its legacy.

Structure, Governance and Management

Constitution

The company is a charitable company limited by guarantee and was set up by constitution in 2001. It is constituted under a Memorandum and Articles of Association dated 2001 (updated 2018) and is a registered charity (charity number 1090757). The principal objective of the company is to provide education to children. During the year 2024-25 the school averaged 52 pupils and 45 staff.

PARAYHOUSE SCHOOL

TRUSTEE GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

Governance structure

Trustee Governor Membership & Committees

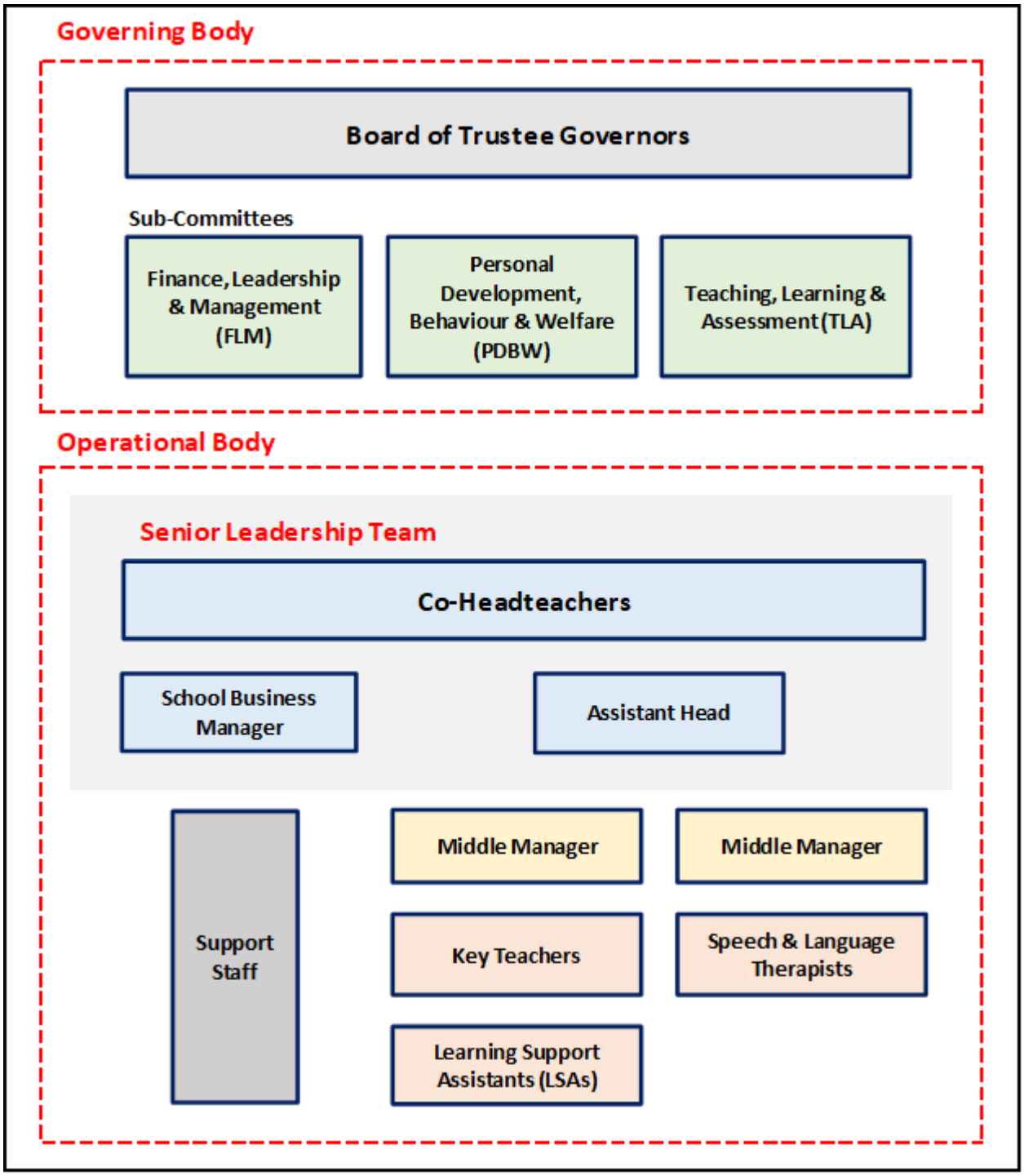
	Appointed	Trustee Governor Type	Main Board	Committees*		
				FLM	PDBW	TLA
Trustee Governors						
Daniela Schwartz (Chair)	Jul-14	Co-opted	■		**X**	
Hala Ensari (Vice-Chair) (resigned Jul-25)	Nov-18	Parent	■			**X**
Steve Hussey	Jun-17	Parent	■	**X**		
Thomas Cowley (resigned Jul-25)	Dec-21	Co-opted	■	■		
Jakub Koper	Dec-21	Staff	■		■	■
Yvonne Woodford (resigned Jul-25)	Oct-22	Parent	■	■		
Basma Atassi (resigned Mar-25)	Mar-24	Co-opted	■		■	
Victoria Coleman	Mar-24	Co-opted	■			■
Elena Ermakova	Mar-25	Parent	■	■		
Raphael Pasquier	Mar-25	Parent	■		■	
Emma Dawn	Mar-25	Local Auth.	■		■	
Associate members						
Nick Herrtage (Real Estate Advisor)	-	External		Eo		
Verity Carnevale (co-Head)	-	Staff		Eo	Eo	
Holly Bristow (co-Head)	-	Staff		Eo		Eo
Claire Huntington	-	Staff				Eo
Jenny Newell	-	Staff				Eo
Phoebe Buret	-	Staff			Eo	
Steve Williams (Finance Officer)	-	Staff		IoA		
Lorraine Morgan (Business Manager)	-	Staff		IoA		
Number of meetings			4	6	4	4

X Chair/ ■ Member/ Eo Ex-officio/ IoA Invited to attend

*FLM=Finance, Leadership & Management [N.B. The previous separate Finance and the Leadership & Management committees were combined to form the FLM committee in January 2019.]
PDBW=Personal Development, Behaviour & Welfare
TLA=Teaching, Learning & Assessment.

Management structure

The Board of Trustee Governors administers the charity. The Trustee Governors of the charity are legally responsible for the overall management and control of the school. The main Board of Trustee Governors is convened four times a year, with separate sub-committees held more often across the year. The work of implementing their policies is carried out by the Co-Headteachers and their staff. The Co-Headteachers attend all the regular meetings of the Board of Trustee Governors (ex-officio) and its sub-committees.



Method of appointment or election of Trustee Governors

The management of the company is the responsibility of the Trustee Governors who are elected and co-opted under the terms of the Articles of Association.

None of the Trustee Governors has any beneficial interest in the company. All of the Trustee Governors are members of the company and guarantee to contribute £10 in the event of a winding up.

Polices adopted for the induction and training of Trustee Governors

New Trustee Governors are included into the workings of the charity and the school, including Board policy and procedures, by attending a meeting as an observer and interviewing with the Co-Headteachers and separately the Chair of Trustee Governors. Training is provided for existing members to ensure that they remain fully conversant with relevant current legislation, policy and procedures. Governing documentation states that the time limit for serving on the Board of Trustee Governors is 4 years (although can be re-elected to serve a second term).

Remuneration Policy

Posts for staff are advertised in the relevant arena. Pay is based on set pay-scales, where they exist, and the experience of the candidate. Similar posts are scrutinised to ensure fair and relevant salary levels.

Group structure

The charity does not have any non-charitable subsidiary, and is not engaged in any form of trading.

Funds held as custodian

No funds are held as custodian.

Significant events after the year-end

None

SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

The Trustees report was approved by the Board of Trustee Governors.

D. Schwartz S. Hussey

Ms D Schwartz
Trustee Governor
Dated: 10th March 2026

Mr S Hussey
Trustee Governor
Dated: 10th March 2026

PARAYHOUSE SCHOOL

STATEMENT OF TRUSTEE GOVERNORS' REPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustee Governors (who are also the directors of Parayhouse School for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those 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;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for 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 the legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Environmental, Social and Governance (ESG)

As the charity behind Parayhouse School we are acutely aware of the importance of applying environmental, social and governance (ESG) standards to the running of our school with the aim to make a tangible difference to our students, to our wider community, and to society as a whole.

We are determined to minimise any negative environmental impact of our operations, continue to be a diverse and inclusive employer, strengthen relationships with local communities and suppliers, and to operate with strong corporate governance and behaviour. Furthermore, we want to inspire our colleagues and students to have meaningful conversations around environmental and social challenges and how to successfully address those as part of our curriculum and through extra-curricular activities.

We have established a sustainability lead position within both the Trustee Governors and the school's staff, who continue to work together to hone a comprehensive framework that sets out our sustainability ambitions and how we will work together to reach these goals. This will include setting out how we might align ourselves with the United Nations' Sustainable Development Goals (UN SDGs), where applicable, and how these might inter-link the partnerships of our various stakeholders.

These include school staff, students, Trustee Governors, parents, carers, our local community, local authorities and the Department for Education who fund our student places, our college landlord, and suppliers. As a starting point we have identified the following goals as best aligning with our objectives across E, S and G factors (with specific relevant sub-goals set out in the Appendix below):



The 'E' in ESG: Environmental considerations

We are somewhat beholden to our college landlord in terms of our carbon footprint as it supplies our various forms of energy, but we can control how efficiently we use that energy (for example, making sure windows are closed in winter, lights and other electrical equipment are switched off when not in use).

Hence, we reinforce best practice amongst our colleagues and students about energy efficiency while using the school buildings. Equally, we are committed to reduce waste where possible and champion recycling.

Until the end of our lease, we will look to work more closely with the college to minimise carbon emissions where possible and to jointly agree on an environmental action plan. In addition, we will begin to analyse how we might set up our operations in a potentially new site to better control and align management of environmental considerations.

The 'S' in ESG: Social considerations

As a school catering for young people with speech, language and communication difficulties and other special needs, we offer a hugely relevant social provision to the wider London community, giving access to education for this dis-advantaged cohort of students.

Safeguarding our students is paramount to our school. This extends to data safeguarding and related cyber risks, and to maintaining an extensive set of policies to set internal Safeguarding standards.

Furthermore, we are committed to be an inclusive school and practice diversity in our admissions policy as well as prioritise diversity and inclusion within our staff base while providing colleagues with a safe, supportive and friendly environment to work in – which is reflected in our Code of Conduct. We follow fair pay - with salaries benchmarked to inner London levels - and aim to offer as many additional staff incentives as possible.

We aspire to work closely with our parent and carer community and our local community, and we continue to establish relationships with other schools and with local companies, aiming to focus on local suppliers where possible.

We continue to regularly review all suppliers with a view to estimating their environmental impacts, expecting all suppliers to comply with applicable laws and regulations in place. Similarly, we expect our suppliers to abide to all applicable laws and regulations with regards to modern slavery, human trafficking or forced labour.

The 'G' in ESG: Governance

The structure, governance and management section in the Trustees report sets out details on the charity's governance and school's management structures.

Parayhouse School's ESG ambitions

By no means exhaustive and very much aspirational realising that we are at the start of a long journey, but we aspire to transform school values and champion sustainable behaviours through a number of broad ambitions to include:

- Trustee Governors and the senior leadership team of the school to lead by example and support the drive to embed culture change across the school, including to ensure that relevant sustainability issues feature on the agenda of Full Board and sub-committee meeting, where relevant – in effect applying an ESG lens to all we do, as well as continuing to embed and promote a strong compliance culture across the school.

- Continue to promote staff engagement (surveys, conversations etc.), an inclusive ("speak-up") culture, diversity, empowerment (offer leadership opportunities), remain committed to fair and equal pay, and create an attractive workplace that aids staff well-being (mental health) as much as possible.

- Aim to put together a "climate action plan", which aligns with the DfE's sustainability and climate change strategy, including an appropriate teaching plan to incorporate climate change in our curriculum, where possible, with the aim of inspiring our students. The latter should include integrating student views on how the school is run sustainably, which should hopefully motivate the students to improve environmental awareness, which in turn might include projects on biodiversity, making use of our external space.

- Step up efforts to engage with parents and carers, as well as other external stakeholders, to drive change.

- Engage with other schools to learn from best practice on various ESG issues, as well as access government resources and tools.

- Explore the potential to become signatories to various initiatives, pledges and accreditations.

- Better understand our energy usage and conduct an energy audit, to target where we can save energy and develop a plan to encourage good practices and behaviours in all those who use the school. This might include promoting and facilitating more environmentally-friendly travel for staff and students to and from school, as well as a comprehensive review of energy usage, waste and recycling, paper and printing, food and food waste and water usage within the school.

- Continue to focus on maintaining the strength of our balance sheet and financial position that provide the security and stability to support the school as a going concern over the long-term and help make it resilient to various risks. We are acutely aware of our 40-year history and our stewardship of its legacy.

Appendix: Applicable UN SDGs (and sub-goals)

- **Goal 4: Ensure inclusive and equitable quality education and promote life-long learning opportunities for all**
  - 4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes
  - 4.4 Substantially increase the number of youths and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
  - 4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations
  - 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.
  - 4.a. Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all
- **Goal 5: Achieve gender equality and empower all women and girls**
  - 5.1 End all forms of discrimination against all women and girls everywhere
  - 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
  - 5.b. Enhance the use of enabling technology, in particular information and communication technology, to promote the empowerment of women
  - 5.c. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels
- **Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**
  - 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- **Goal 10: Reduce inequality within and among countries**
  - 10.2 Empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
- **Goal 12: Ensure sustainable consumption and production patterns**
  - 12.2 Achieve the sustainable management and efficient use of natural resources
  - 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse
  - 12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycles
  - 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities
  - 12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature
  - Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
  - 16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children
  - 16.6 Develop effective, accountable and transparent institutions at all levels
  - 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels
  - 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreement.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARAYHOUSE SCHOOL

Opinion

We have audited the financial statements of Parayhouse School for the year ended 31 August 2025 which comprise the Statement of Financial Activities, Balance Sheet, 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 charitable company's affairs as at 31 August 2025 and of the charitable company's net movement in funds, including the 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 charity 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 Charities Act 2011 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 Trustee Governor's 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 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 Trustee Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Trustee Governors' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustee Governors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee Governors' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the 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 Trustee Governors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustee Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustee Governors for the financial statements
As explained more fully in the Trustee Governors' responsibilities statement set out on page 20, the trustee governors (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 Trustee Governors 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 Trustee Governors are responsible for assessing the 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 trustee governors either intend to liquidate the 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

- Reviewing minutes of all Trustee Governor meetings during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Haralambos Hambi (Senior Statutory Auditor)
for and on behalf of Alpha Accountants (London) Limited, Statutory Auditor

585a Fulham Road
Fulham
London
SW6 5UA

Date:

PARAYHOUSE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
INCOME FROM:					
Donations, legacies and grants	4	627,155	47,297	674,452	773,609
Charitable activities	5	1,144,608	-	1,144,608	982,861
Investments	6	87,748	-	87,748	43,746
Other income	7	80,543	-	80,543	83,607
Total income		1,940,054	47,297	1,987,351	1,883,823
EXPENDITURE ON:					
Charitable activities	8	1,707,572	86,548	1,794,120	1,772,382
Total expenditure		1,707,572	86,548	1,794,120	1,772,382
NET INCOME		232,482	(39,251)	193,231	111,441
Transfers between funds		(29,405)	29,405	-	-
NET MOVEMENT IN FUNDS		203,077	(9,846)	193,231	111,441
RECONCILIATION OF FUNDS					
Fund balances brought forward At 1 September 2024		1,607,693	104,519	1,712,212	1,600,771
Fund balance carried forward At 31 August 2025		1,810,770	94,673	1,905,443	1,712,212

The notes on pages 30 to 42 form part of these financial statements.

PARAYHOUSE SCHOOL

BALANCE SHEET

AT 31 AUGUST 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	14	63,851	97,060
CURRENT ASSETS			
Debtors	15	191,389	23,571
Cash at bank and in hand		1,814,302	1,659,022
		2,005,691	1,682,593
CREDITORS			
Amounts falling due within one year	16	(164,099)	(67,441)
NET CURRENT ASSETS		1,841,592	1,615,152
NET ASSETS		1,905,443	1,712,212
THE FUNDS OF THE CHARITY			
Restricted funds	17	94,673	104,519
Unrestricted funds		1,810,770	1,607,693
TOTAL CHARITY FUNDS		1,905,443	1,712,212

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31st August 2025, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and applications of resources including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The financial statements on pages 27 to 42 were approved by the trustees and authorised for issued and are signed on their behalf by:

Ms D Schwartz
Trustee Governor
Dated: 10th March 2026

Mr S Hussey
Trustee Governor
Dated: 10th March 2026

PARAYHOUSE SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	193,231	111,441
Adjustments for		
Depreciation	54,676	61,972
Investment income	(87,748)	(43,746)
Decrease in stocks	-	-
(Increase)/decrease in debtors	(167,818)	6,721
Increase/(decrease) in creditors	96,658	(325,091)
Net cash used in operating activities	88,999	(188,703)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	87,748	43,746
Purchase of tangible assets	(21,728)	(16,139)
Sale of tangible fixed assets	261	1,279
Net cash (used in)/provided by investing activities	66,281	28,886
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	155,280	(159,817)
Cash and cash equivalents at the beginning of the reporting period	1,659,022	1,818,839
Cash and cash equivalents at the end of the reporting period	1,814,302	1,659,022

1. GENERAL INFORMATION

The charity (number 1090757) is limited by guarantee, incorporated in England & Wales (number 04270330), and consequently does not have share capital. Each of the Trustee Governors is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hammersmith and Fulham College
Gliddon Road
London
W14 9BL

2. ACCOUNTING POLICIES

Accounting convention
The accounts have been prepared in accordance with the charity's governing document. the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling. which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to Include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustee Governors continue to adopt the going concern basis of accounting in preparing the accounts.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance or their charitable objectives unless the fund have been designated for other purposes.

Restricted funds are subject to specific; conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Income
Income is recognised when the charity is legally entitled to it after any performance conditions have been met. The amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2. ACCOUNTING POLICIES (Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. net of discounts, VAT and other sales related taxes.

Expenditure
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All pension costs and associated liabilities are allocated to unrestricted funds.

Tangible fixed assets
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Leasehold improvements	Over the life of the leasehold
Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	20% straight line

Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks. other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. ACCOUNTING POLICIES (Continued)

Financial instruments
The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's ·balance sheet when the charity becomes party to the contractual provisions of the instrument. ··

Financial assets and liabilities are offset with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets and liabilities
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where tile transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets Classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost. using the effective interest rate method

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities. if payment is due within one year or less. If not, they are presented as non-current liabilities trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. ·

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(Expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability. ·

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the Trustee Governors 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 period.

4. DONATIONS, LEGACIES & GRANTS

	Total 2025 £	Total 2024 £
Donations and legacies	-	58
Grants, including capital & government grants	674,452	773,551
	674,452	773,609

During the year, government grant funding totalled £674,452 (2024: £773,551), including Non-maintained Special Schools funding from the Education & Skills Funding Agency, pupil premium, capital project funding, and assistance towards teachers' pay costs.

5. INCOME FROM CHARITABLE ACTIVITIES

	Total 2025 £	Total 2024 £
School fees receivable	1,144,608	982,861
	1,144,608	982,861

6. INVESTMENTS

	Total 2025 £	Total 2024 £
Interest receivable and similar income	87,748	43,746
	87,748	43,746

7. OTHER INCOME

	Total 2025 £	Total 2024 £
Other income	59,709	61,266
Lunch money	20,291	21,671
Excursion money	543	670
	80,543	83,607

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2025 £	Total 2024 £
Staff costs	973,069	932,361
Depreciation	48,659	49,778
Courses	26,354	27,905
Education materials	13,350	9,577
Functions and outgoing	220	289
Support costs (see note 9)	732,468	752,472
	1,794,120	1,772,382

9. SUPPORT COSTS

	Total 2025 £	Total 2024 £
Staff costs	254,777	249,144
Depreciation	6,016	12,193
School lunches	27,787	25,488
Insurance	25,364	25,479
Caretaking costs	(261)	10,612
Hire of equipment	10,787	15,723
Motor costs	8,498	9,657
Rent and rates	102,664	115,538
Governance costs (see note 10)	208,883	199,767
Other expenditure	87,953	88,871
	732,468	752,472

10. GOVERNANCE COSTS

	Total 2025 £	Total 2024 £
Staff costs	186,570	175,982
Auditors remuneration		
Statutory audit	12,000	14,400
Non-audit services	3,900	5,400
Accountancy fees	6,413	3,985
	208,883	199,767

11. RELATED PARTY TRANSACTIONS

No Trustee Governors, nor any persons connected with them, have received any remuneration from the charity during the year. Additionally, no Trustee Governors have received any reimbursed expenses or any other benefits from the charity during the year.

There were no transactions or balances with related parties during the year requiring disclosure (2023: none).

12. STAFF COSTS

	2025 £	2024 £
Staff costs for the above persons:		
Wages and salaries	1,259,938	1,229,333
Social security costs	110,257	89,854
Other pension costs	44,221	38,300
	1,414,416	1,357,487

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was as follows:

Average employees in the year	45	44

The number of employees whose emoluments fell within the following bands was:

£60,001 - £70,000	1	2
£70,001 - £80,000	2	-

The total remuneration of the key management personnel of the charity were £276,681 (£288,029 FY2023-24).

13. OPERATING LEASE COMMITMENTS

As at 31st August 2025 the school's annual commitment under un-cancellable operating lease:

	2025 £	2024 £
Operating lease which expired within 1 year	45,000	45,000
	45,000	45,000

14. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost:				
1 September 2024	241,469	229,727	30,172	501,368
Additions	7,782	13,946	-	21,728
Disposals	-	(4,981)	(30,172)	(35,153)
31 August 2025	249,251	238,692	-	487,943
Depreciation:				
1 September 2024	169,810	204,326	30,172	404,308
Charge for year	37,743	16,933	-	54,676
Eliminated on disposal	-	(4,720)	(30,172)	(34,892)
31 August 2025	207,553	216,539	-	424,092
Net book value:				
31 August 2025	41,698	22,153	-	63,851
31 August 2024	71,659	25,401	-	97,060

15. DEBTORS

	2025 £	2024 £
Trade debtors	113,296	1,229
Accrued income	20,372	-
Prepayments	46,745	22,342
Other debtors	10,976	-
	191,389	23,571

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Loans and borrowings	2,897	56
Trade creditors	28,316	3,725
Taxation and social security	38,759	37,154
Accruals and deferred income	94,127	26,506
	164,099	67,441

17. RESTRICTED FUNDS

	1 September 2024	Income	Expenditure	Transfers Between Funds	31 August 2025
	£	£	£	£	£
Restricted funds					
School Condition Allocation (previously Capital maintenance)	41,261	-	(35,588)	29,405	35,078
School Condition Allocation – Energy Efficiency Grant	10,236	-	(2,617)		7,619
Devolved Formula Capital	21,585	7,649	(7,596)	-	21,638
PE & Sports	16,518	7,000	(5,173)	-	18,345
Pupil Premium	2,061	30,058	(32,056)	-	63
Pupil Premium +	1,532	2,590	(1,087)	-	3,035
Recovery Premium	11,326	-	(2,431)	-	8,895
Teacher pay	-	-	-	-	-
Teacher pension	-	-	-	-	-
School Led Tutoring	-	-	-	-	-
	104,519	47,297	(86,548)	29,405	94,673

	1 September 2023	Income	Expenditure	Transfers Between Funds	31 August 2024
	£	£	£	£	£
Restricted funds					
School Condition Allocation (previously Capital maintenance)	86,729	-	(45,468)	-	41,261
School Condition Allocation – Energy Efficiency Grant	13,290	-	(3,054)	-	10,236
Devolved Formula Capital	19,121	6,654	(4,190)	-	21,585
PE & Sports	13,463	10,000	(6,945)	-	16,518
Pupil Premium	4,255	24,703	(26,897)	-	2,061
Pupil Premium +	-	2,685	(1,153)	-	1,532
Recovery Premium	11,276	26,077	(26,027)	-	11,326
Teacher pay	7,364	56,583	(63,947)	-	-
Teacher pension	12,037	88,757	(100,794)	-	-
School Led Tutoring	-	4,759	(4,759)	-	-
	167,535	220,218	(283,234)	-	104,519

Breakfast club
Kellogg's Breakfast Ltd provided grants to schools to help fund Breakfast Clubs for pupils who were primarily entitled to Free School Meals/Pupil Premium. There is a clear link between students who have eaten breakfast and attendance/attainment.

School Condition Allocation (previously known as Capital maintenance)
Ensures premises are fit for purpose and remain in good repair and enable improvements for the benefit of the pupils.

Devolved Formula Capital
The Devolved Formula Capital grant enables works to update infrastructure, the purchase of classroom and IT equipment to further learning.

PE & Sports
The Sports and PE grant is a DfE grant that facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.

Pupil Premium

The Pupil Premium grant is funding to improve education outcomes for disadvantaged pupils in schools in England. Evidence shows that disadvantaged children generally face additional challenges in reaching their potential at school and often do not perform as well as other pupils.

Recovery Premium

The Recovery Premium grant is part of the governments package of funding to support pupils whose education has been impacted by COVID-19. It is focused on Pupil Premium eligible pupils in specialist settings such as special schools, special units and pupil referral units. This is because of the pandemic on these students.

Teachers pay
The teachers' pay grant is a DfE grant that provides funding for schools to support the annual teachers' pay awards.

Teachers' pension
The teachers' pension employer contribution grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

School Led Tutoring

The School Led tutoring grant is to support disadvantaged pupils in catch-up learning and schools will select the pupils in need of support. This will focus on providing tuition to pupils eligible for Pupil Premium but also includes pupils with other types of disadvantage or additional needs.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted Funds £	TOTAL 2025 £
Tangible fixed assets	12,294	51,557	63,851
Current assets	1,957,504	48,187	2,005,691
Current liabilities	(159,028)	(5,071)	(164,099)
	1,810,770	94,673	1,905,443

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds £	Restricted Funds £	TOTAL 2024 £
Tangible fixed assets	7,580	89,480	97,060
Current assets	1,663,656	18,937	1,682,593
Current liabilities	(63,513)	(3,898)	(67,411)
	1,607,693	104,519	1,712,212

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2024 £
INCOME FROM:			
Donations, legacies and grants	553,391	220,218	773,609
Charitable activities	982,861	-	982,861
Investments	43,746	-	43,746
Other income	83,607	-	83,607
Total income	1,663,605	220,218	1,883,823
EXPENDITURE ON:			
Charitable activities	1,489,148	283,234	1,772,382
Total expenditure	1,489,148	283,234	1,772,382
NET INCOME	174,457	(63,016)	111,441
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	174,457	(63,016)	111,441
RECONCILIATION OF FUNDS			
Fund balances brought forward	1,433,236	167,535	1,600,771
Fund balance carried forward	1,607,693	104,519	1,712,212

PARAYHOUSE SCHOOL

England & Wales - Charity number 1090757

Accounts

Company registered number: 04270330
Charity registered number: 1090757

PARAYHOUSE SCHOOL

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2024

PARAYHOUSE SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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PARAYHOUSE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2024

Chair of Trustee Governors	Ms D Schwartz
Vice Chair of Trustee Governors	Ms H Elansari

Board of Trustee Governors: A full list is provided on page 14 of this report

Co-Headteachers	Ms H Bristow Ms V Carnevale
Charity number	1090757
Company number	04270330
Registered office	Hammersmith & Fulham College Gliddon Road London W14 9BL
Auditor	Alpha Accountants (London) Limited 585a Fulham Road Fulham London SW6 5UA
Bankers	HSBC Bank UK plc 315 Fulham Road Chelsea London SE10 9QJ
Solicitors	Veale Wasbrough Vizards 86 Fetter Lane London EC4A 1AD

PARAYHOUSE SCHOOL

INTRODUCTORY OVERVIEW

FOR THE YEAR ENDED 31 AUGUST 2024

Parayhouse School is a non-maintained special school for students with significant speech, language and communication needs, moderate/severe learning difficulties and associated social, emotional, behavioural and medical difficulties. The school caters for students from 7-16 years of age.

Parayhouse School is committed to ensuring that each and every student reaches his or her full potential. The school delivers its mission in three essential ways:

(1) It provides a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) It creates a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) It establishes close working relationships between parents, carers, students and staff to support learning and behaviour at home as well as at school.

The school is governed by a registered charity, which takes the school's name, and is run by a Board of Trustee Governors. Senior leadership of the school and its staff are ultimately accountable to this Board and work closely together to actively manage the risks the school faces and help to deliver the co-Headteachers' vision and development of the school.

PARAYHOUSE SCHOOL

CHAIR OF TRUSTEE GOVERNORS' STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024



"We place the education and wellbeing of our students front and centre in all that we do.

In this context, we are very pleased that Ofsted reported after a recent visit that "there is a sharp focus on giving the pupils the knowledge and tools they need to develop independence and to live successfully in the community. They leave the school well prepared for entry to post-16 specialist provisions.

Daniela Schwartz

Looking back to the last twelve months, we are particularly pleased that Ofsted, visiting us in February this year, acknowledged the work that has gone on over the past year into offering our students an even better learning experience. In their report, Ofsted states: "School leaders have also broadened the curriculum offer considerably. Additions include a series of vocational courses, taught across the school. These focus on giving pupils functional knowledge and real-life experiences... As a result of the ambitious curriculum and its implementation, pupils' overall achievements are strong."

We were equally delighted to see that Ofsted noted our ongoing efforts to not only create a nurturing environment for our students, but also provide a fulfilling workplace for our staff: "Leaders and governors pay a lot of attention to staff well-being. Staff said that they appreciate leaders' openness and consideration for their personal circumstances. They value the many opportunities that they receive for professional development and career progression....Staff spoke about how they are able to channel their energies into teaching and looking after pupils' welfare."

One year on from kicking-off our research and planning into potentially expanding our school to offer a post-16 provision, we are now fully prepared to take this step. However, we can only do so once we have successfully secured new, bigger premises. Our FLM sub-committee has tirelessly engaged with Local Authorities, various dioceses, and other external stakeholders, to find a site that will allow us to grow. Thanks to their tremendous work, at this point, we are optimistic that we will be able to secure a new location in the next 12 months.

Whilst there has been a growing shortage of maintained SEN places available across London there has also been significant budget pressure on local authorities' spending on non-maintained provision and associated transport costs. However, we are pleased to say that we continue to demonstrate that our school is unique in its specialist offer and currently have children from nine London Local Authorities at our school.

Furthermore, and against a backdrop of a worsening SEND crisis in England, we have explored in more detail over the past year how we can share our SEND expertise with the wider SEND ecosystem – mainstream schools, other special schools, the NHS, and many more, by offering specialist SEND training and particularly Speech & Language training to other professionals. In addition, we have started to look into offering widened support to parents of children with SEN: this may include parent support groups, after-school or holiday activities. We aim to finalise our growth strategy over the first half of the new school year 2024/25.

Meanwhile, the cost environment remains very challenging. However, thanks to tightly controlled cost management, as well as prudent investments, we are pleased to report again that the charity and our school continue to be in a healthy financial situation, allowing us to ringfence money for our anticipated move to new premises and to offer a first class SEND provision to more children going forward.

Looking back at our achievements in 2023/24, the successful Ofsted visit, and, most importantly, seeing our students progress with their speech and communication, their life skills, and their academic learning, as well as hearing from parents how Parayhouse School makes their children feel safe and happy, eager to go to school, and confident to master their challenges, fills us with pride, joy, and gratitude.

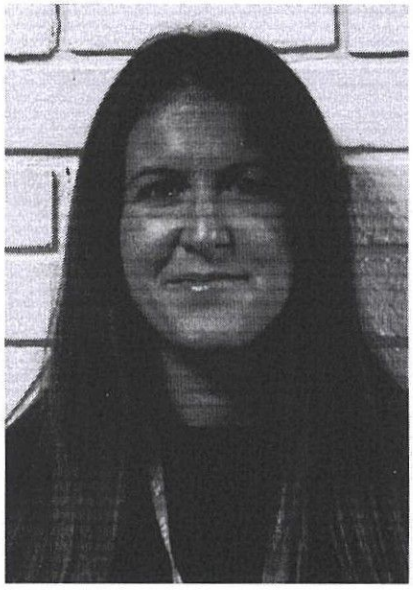
On behalf of all Trustee Governors, as every year, I express our heartfelt thanks to our magnificent team of teachers, learning assistants, therapists, senior and middle managers, and administrative staff. They all work very hard and with great commitment and passion, and a desire to continually improve our provision. At the same time, they ensure that every one of our students receives their full attention and support – and, in doing so, they make such a difference to our students' lives.

Daniela Schwartz
Chair of Trustee Governors

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2024





Holly Bristow **Verity Carnevale**

The academic year 2023-24 saw our school driving forward with development and improvement plans already underway from the previous year, and further embedding the strong progress made to date. Meanwhile, our constant and ever-present goal remains to ensure that we continue to provide the best possible educational experience for our young people.

Working with external advisors helped us to build additional confidence, reflected in our school development plans, in particular, the work we have been doing to develop our curriculum pathways and ensure clear development of our students' learning from admission to post-16 and into their adult lives.

We were pleased when Ofsted notified us of their visit in February and were keen to show them the provision of which we are so proud, and the progress we have made since their last inspection. Of course, we were thrilled to hear their positive feedback, and we are very pleased that the school remains rated "good", with "effective" safeguarding.

With the return of our assistant head from maternity leave, we have been able to strengthen our support for our teachers in the development of their own leadership skills within their classrooms and as subject leads. This has strengthened our efforts to build clear development pathways for all areas of the curriculum and, in particular, embed our new Physical Education and PHSE programmes of study. In the next school year we will be introducing planned changes to our RSE curriculum to ensure we are meeting the complex balance between our students' cognitive and chronological age of development. A key part of this is communication with parents to provide them with important information around the content their child will be studying and why.

Another key focus for us in the coming year is to further our progress on ensuring that the range of assessment tools we employ accurately represent students' individual progress. We were pleased to receive positive feedback from Ofsted in this area, which has validated our efforts to ensure we acknowledge and respond to the unique and complex needs of our learners and their own personal pathways. Going forward, we will be undertaking additional work around post-16 transition to better support our families in this challenging process and to make sure that our students are best prepared for their next steps.

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2024

We very much hope to be able to establish our own Sixth Form setting as part of our longer-term vision, and this is something we plan to begin working towards in the new school year.

Our new Family Support Manager has embraced the role and made a real impact this year, supporting families in need and providing a vital early help-link for the safeguarding team. We plan to review our parent communications in 2024-25 and consider ways we can provide more practical, hands-on guidance for our parents, for example "read together mornings" where we share strategies for supporting reading at home. In addition, we hope to offer additional individual home visits to focus on speech and language, ensuring that we support a truly 360-degree approach to developing students' communication skills.

We are delighted to welcome two new Speech and Language Therapists (SaLTs), allowing us to continue focusing on last year's work of developing a whole-school communication toolkit, and related training. In addition to continuing to ensure best practice is being used across the school, we are excited to be able to give our Head of Therapy the space and time to really push forward the development of our longer-term, speech and language strategy and the potential for out-reach of this expertise in the future.

Student numbers are strong for 2024-25 and we have processed over 53 consultations. Despite this, in 2024-25 we will be reviewing our school's visibility and marketing approaches to ensure we reach as many families as possible whose children might benefit from our unique provision.

We look forward to another positive year continuing to take forward all our planned areas for development while providing a happy, safe and fertile learning space for our students.

Holly Bristow & Verity Carnevale
Co-Headteachers

Trustee Governors' Report

The Trustee Governors (who are also directors of the charity for the purposes of the Companies Act 2006) present their report and accounts for the year ended 31 August 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Charitable Objects

The object for which the charity is established is to advance education by carrying on in Great Britain a school or schools for the public benefit at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description. The charity provides a specialist education for students with speech, language and communication needs, moderate and severe learning difficulties and behavioural, emotional & social difficulties.

Aims of the charity

The school's primary aim is to provide a first-class education by high quality tuition and by developing sporting, artistic and social/ life skills in all its students. The school intends to provide an environment where each student can develop and fulfil his or her potential, to help build self-confidence, independence, and social awareness. The school focuses its work on preparing students with special educational needs for the challenges they will meet when leaving school. The school recognises that it is the development of social, language and thinking skills that enable students to express themselves, to understand and to function optimally in the world.

We also believe in the power of collaborative practice. Together, we face challenges, celebrate achievement, and aspire to do our very best.

We deliver our mission in three essential ways:

1. We provide a safe and nurturing environment where students feel secure and are confident and eager to learn;
2. We create a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
3. We establish close working relationships between parents, carers, students and staff to support learning and behaviour.

Strategies for achieving aims and objectives

(1) Ensure that all of our staff are given access to the training and equipment required for their roles and that there are opportunities available for their personal future development;
(2) Ensure that we use the most appropriate and effective tools for the safeguarding, teaching and assessment of our students;
(3) Create a safe and positive environment for all of our staff and students, with a welcoming, collaborative and open approach;
(4) Implement a programme to ensure the school always has access to the therapists that it needs and which are key to its offering;

(5) Review and evaluate proposed growth opportunities for the school that enhance and expand our student experience;
(6) Identify and secure new Central London premises for the existing school, with additional growth capacity;
(7) Be proud of what we do and build a strong identify/ brand with a regular programme of contact/ communication with all stakeholders, e.g. Local Authorities, existing/ potential parents, local schools, neighbours;
(8) Maintain a close and positive working relationship between the senior management of the school and its governing body

Compliance with Charity Commission guidance

The Trustee Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Staff involvement

One of the keys to the school's success is the aim to foster an engaged and highly motivated staff. By consulting staff, including more regular use of staff surveys, we endeavour to get feedback on a regular basis, not only in ways we can improve the learning experience for our students, but also to improve the well-being of staff. The senior leadership team aims to be pro-active in making sure staff are kept informed of the school's progress. We seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the school's performance.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other staff.

Grant making policies

The school does not currently have a grant making policy.

Use of volunteers

A number of parents and carers of children attending the school volunteer to provide support for various activities during the year. The Trustee Governors would like to take this opportunity to say how much we appreciate their continuing and valuable support for our work. Furthermore, a regular number of students from within higher education are offered unpaid, temporary work experience placements.

Fundraising

Historically, the school has not had an organised fundraising function. In general, we have been able to maintain strong unrestricted reserves that allow us to fund specific projects and activities as they arise, as well as using restricted grants to fund other specific projects. Nevertheless, we have ring-fenced some of these unrestricted reserves for these "designated" purposes and, as such, will look to establish a more coherent fundraising strategy sometime in the near future. We will look to build on previous external advice from a number of experts and will establish broad short- and long-term objectives. In the short-term these

are likely to be focused on applying for various grants to match-fund specific projects and activities as they arise.

Achievements and performance

Main Achievements

- Parayhouse School remains rated "good" with "effective safeguarding" following our Ofsted inspection in February 2024;
- The school has continued to operate without any serious safeguarding issues, which is testament to the procedures and policies in place, as well as comprehensive training for staff and Trustee Governors;
- Giving our teachers more responsibility, supported by training, has empowered them to take on leadership roles within their classrooms and as subject leads;
- Our comprehensive programme of SMSC events has supported our students' wider development. Events included charity days, celebration assemblies, and focus weeks;
- We have placed all our leavers in appropriate post-16 settings and have supported them, and their parents, throughout the transition, with workshops, activities, visits and tailored advice;
- We have recruited two additional SaLTs to strengthen our unique offering in this area;
- The school has processed more than 50 consultations and secured 9 new students for the next academic year, replacing all leavers;
- Following the return of our assistant head from maternity leave, we have continued to make excellent progress in establishing clear curriculum pathways for our students and producing new curriculum maps to provide clarity around coverage and progression of learning;
- We have embedded "Individual Education Profiles", which has helped us to offer greater clarity over the progress of individual students based on their specific learning levels. Furthermore, our teachers have gained confidence creating challenging yet appropriate bespoke targets for students backed up by a robust monitoring schedule; and
- Having re-established school trips and annual residential trips last year (post-Covid), we built-upon these enjoyable outings, which offer students invaluable experiences and opportunities to support learning and work on life-skills and social interaction.

Criteria used to measure success

- The school has been able to maintain strong student numbers (at or near capacity), as well as continuing to attract high numbers of referrals and applications for places from prospective students. This continues to reflect positively on the quality of teaching, therapy and support provided, which is helping students progress and strive to reach their full potential;
- Aside from strong initial results from applying the SOLAR assessment tool, we are encouraged by the ability of student leavers to find good post-16 provision in other schools;
- We continue to conduct staff, student and parent surveys, and we are proud about the positive feedback we receive;
- We have been able to maintain a core stable and contented staff base and are encouraged by our ability to attract quality new staff, especially in-demand therapists, which is testament to the school's welcoming atmosphere and opportunity for staff advancement;
- We also place great importance on periodic Ofsted inspections and feedback (positive reinforcement), which provide an invaluable independent assessment of the school's progress;
- The charity retains a significant surplus of unrestricted funds, which provides reserves to cover unforeseen losses or required expenditures, as well as allowing the school to run budgeted short-term deficits in more volatile periods.

Plans for the future

In the short- to medium-term the school's leaders are focused on further improvements to the curriculum and further developing our student assessment framework to provide more timely and useful feedback to students, their parents and carers, and to Trustee Governors. We continue to update and improve our ICT

provision across all parts of the school and we will continue to recruit additional staff, while also improving career advancement.

In the medium- to long-term, we continue to explore the potential to expand the school, both in potentially providing a sixth class within our current pre-16 provision and the creation of a post-16 provision, as well as exploring the potential to provide therapeutic out-reach and consultancy services where external SEND demand exists. This would require additional space (both internally and externally), which is unlikely to become available in our current setting on the Hammersmith & Fulham College campus.

Also, given that our current lease at the site comes to an end in September 2026, we have started a search process for an alternative site for the school, which will provide the necessary space to accommodate these expansion plans. We envision that the search, and any required re-development of a site, may take us 12-18 months, a timeframe to fit in with the end of our current lease.

Given the current spate of primary school closures in London, as primary age student numbers decline, we have identified vacated primary school sites as a key focus in our search. While these would likely require some re-modelling to accommodate our educational needs, they do, on the whole, offer the required internal and external space we are looking for, in order to grow our offering. We are engaging with local authorities, dioceses and multi-academy trusts (MATs) that own these sites, building dialogues and relationships, to explore the potential to lease one of these vacated sites. We are cognisant that most of these sites in our current search area (West- and South-West London) are a valuable asset for their owners and that there is demand from other SEN and mainstream, early-years educational providers, as well as the potential to re-purpose the sites for a commercial and/ or residential use. Aside from the social benefits we provide, we see strong and growing demand for our offering, which supports our business case.

At the same time, we are exploring the potential to re-purpose/ develop a vacant commercial site, tapping into the expertise of our voluntary real estate advisor. Depending on our progress over the next 6-12 months, we might also explore the potential use of an external, specialist search consultant to help us with the search.

Financial Review

The charity's financial aim is to maintain sufficient unrestricted reserves to provide flexibility for the school to operate through different economic climates, and in some years to potentially absorb an operating loss in unforeseen circumstances. Beyond this aim to continue as a going concern, our reserves policy sets out minimum unrestricted reserves to cover the equivalent of eight months (two terms) of a winding up of the school if that ever came to pass, as well as specific "designated" reserves to cover costs associated with our premises and ICT.

Our annual accounts, in terms of our income statement, are fairly straight-forward: with revenue/ income driven mainly by student numbers and fee levels, and expenses largely driven by staff costs. We generally budget to break-even or to generate a small net surplus in most years to help build reserves. However, we are cognisant that there may be years where we might make a net deficit, or perhaps make a much larger surplus than budgeted for. The latter generally occurs when we take on extra students during the course of the school year, with relatively low related costs (i.e. un-budgeted).

As outlined above, potentially moving to larger premises some time over the next couple of years will likely incur sizeable costs, hopefully to be largely covered by the designated premises reserves we've built up. Nevertheless, we would expect higher annual lease costs for larger premises and to take on additional staff as/when we expand our offering, with related student fee income potentially coming in on a lagged basis. This might be a specific example of where maintaining significant unrestricted reserves will prove their worth in allowing us to carry on a business-as-usual basis.

Review of financial position

For the financial year 2023-24 the charity reported a surplus of £111,441 (vs £11,150 surplus in FY2022-23), which, as retained income, boosted our net assets (total reserves) to just over £1.7mln, which are split between unrestricted reserves of £1,607,693 and restricted reserves of £104,519. We would expect to run down the latter over time as we allocate those reserves (grants) to specific projects and as we look to better match grants received during the year, within a shorter timeframe.

Aside from working cash held in the school's bank account to cover short-term expenses, the majority of our unrestricted reserves are held on the CAF Flagstone investment platform, which allows us the flexibility to allocate amounts up to the £85,000 insured limit per account across a wide number of individual bank savings accounts in an efficient manner. We maintain a diversified portfolio of accounts by maturity, including a proportion on instant access or short maturities to cover potential cash strains in the school.

Another way of thinking about total **net** assets of £1,712,212 is to consider the charity's balance sheet, and specifically the difference between its total assets of £1,779,653, split between: -

- Tangible assets of £97,060 (incl. leasehold improvements of £71,659); plus
- Cash balances of £1,659,022 (retained annual net surpluses); plus
- Debtors – accounts receivable and accrued income of £1,229; plus
- Current assets of £22,342;

And its total liabilities of £67,441 (all due within one year and down from the £392,533 at end FY2022-23).

The significant drop in total liabilities in FY2023-24 largely reflected the part repayment of a government grant that we had re-classified as a "liability" the previous year. Three years ago, our annual "School Condition Allocation" (SCA) from the Department for Education (DfE) (capital funding for maintaining and improving the condition of school premises) was increased significantly, as the DfE implemented a new calculation matrix. Historically, we had received around £19,000 p.a. but this increased to over £122,000. It took us a while to verify the amounts with the correct government officials, but once we had we decided that we would not be able to spend anywhere close to that amount of school improvements. As such, we decided to re-classify the "excess" amount (~£100,000 p.a.) as a liability and look to return it to the DfE. Once we had confirmed a repayment schedule with the DfE, we used a part of unrestricted reserves/ cash

to pay down the bulk of this liability ("overpaid grant"), from £309,409 at the beginning of the financial year down to £0 by year-end. We would expect to pay off the remainder in the FY2024-25.

Net surplus

The reported net surplus of £111,441 for FY2023-24 can be split into: (1) a surplus of £174,457 on unrestricted activities (income-expenditure); and (2) a loss of £63,016 on restricted income/ expenditure (i.e. grants). This compares with our FY2023-24 budget that projected break-even. On a net basis, this much larger-than-expected net surplus reflected significant, unexpected government grants, which we didn't spend, as we are awaiting clarification on whether they truly apply to the school. We have been informed that the Teachers' Pension grant (£88,757) can be used for the benefit of the school and not necessarily for the purposes of the teachers pension scheme.

In aggregate, the net surplus of £111,441 (versus a surplus of £11,150 in FY2022-23) was the result of combined unrestricted and restricted income of £1,883,823 (+£86,034 YoY) minus combined expenditure of £1,772,382 (-£61,129 YoY).

Income generation

During the year under review unrestricted income totalled £1,663,605 (FY2022-23: £1,627,878), with the YoY increase (+£35,727 or +2.2%) principally driven by a significant increase in interest received from our savings accounts on the CAF Flagstone platform (+£37,561 YoY), which in turn reflected the period of higher interest rates, and an unexpected local authority 1-on-1 support grant (for a pupil taken on during the year where we already had staffing in place). These amounts helped more than off-set a drop in student fees, based on lower student numbers YoY. Restricted income totalled £220,218 (FY2022-23: £169,911), which includes a number of different grants, and includes the Teachers' Pension grant mentioned above.

When considered together, unrestricted and restricted income is mainly made up of student fees from placing local authorities (£982,861 vs £1,018,889 in FY2022-23) and EFA student grants from the DfE (£553,333 vs £528,334 in FY2022-23), supplemented in FY2023-24 by the extraordinary interest windfall from our CAF Flagstone savings accounts.

Expenditure

The total cost of operation of the school amounted to £1,772,382 (vs £1,786,639), representing a -0.8% reduction YoY (-£14,257, as above). Expenditure coinciding with unrestricted income/ operations (£1,489,148) was down -£171,417 YoY, with lower staff wages (on a number of staff absences and maternity leave) more than off-setting higher cost of agency staff (increased usage to off-set the longer-term staff absences) and higher pension contributions. Staff costs continue to account for the bulk of overall costs (~77% in FY2023-24), with the next largest cost items being premises costs (~7% of the total), and then a drop down to capital equipment (~3%), staff courses (~2%), school lunches (~1%) and Insurances (~1%), and then a further drop down to a host of smaller line items.

As noted above, the greater part of the YoY drop in overall costs, came through restricted expenditure (-£157,160 YoY) and in particular reduced take-up/ spending of a number of the grants we received. Over time, as we clarify with the DfE the purpose and appropriateness of some of these grants, we would look to spend the majority of grants within the year received.

Historical 10-year view

£	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY 23-24
Net income	**56,979**	**129,028**	**101,640**	**121,755**	**239,741**	**403,810**	**300,539**	**23,023**	**11,150**	**111,441**
Fund balances	**270,085**	**399,113**	**500,752**	**622,508**	**862,249**	**1,226,059**	**1,566,598**	**1,589,621**	**1,600,771**	**1,712,212**
Restricted	26,634	81,837	97,569	99,283	133,823	166,289	174,984	123,698	167,535	104,519
Unrestricted	243,451	317,276	403,183	523,225	728,426	1,099,770	1,391,614	1,465,923	1,433,236	1,607,693
Av # students	42	48	45	47	56	51	55	53	52	53
Av # staff	32	31	31	33	36	35	39	45	44	44

Reserves policy

The school needs unrestricted reserves to:

1. Meet any contractual liabilities should the school be required to close;
2. Meet any costs such as premises moves, breakdown of machinery or staff cover;
3. Replace equipment as it wears out; and
4. Ensure the school can maintain a high quality of service.

The charity aims to maintain total unrestricted reserves at a level equivalent to at least eight months' operating costs (equivalent to two school terms) based on current annual expenditure whilst also considering the possible need for redundancy costs and to meet service level agreements (most have 3-6-month notice periods) and lease agreements in the event that the school were ever to cease trading. Also, importantly, it provides a reasonable period of time for staff to apply for alternative employment and for students to be placed in an alternative provision. It assumes that student funding ceases over the period, which might not be the case.

The Trustee Governors regularly review the level of unrestricted reserves, and as of 31st August 2024 have determined that based upon expected 2024-25 budgeted levels of expenditure, the minimum amount of unrestricted reserves required is £1,175,094. Current unrestricted reserves are £1,607,693 and so comfortably exceed this minimum requirement.

As outlined above, the school has "designated" reserves to cover potential investments in premises and to cover the budgeted investments in ICT over a three-year period. Over time the school may add to these designated reserve categories to cover other large multi-year expenditure projects. Nevertheless, it is important to note that these reserves form part of the total unrestricted reserves of the school, not an addition to them.

Designated reserves to cover potential investments in premises are expected to be equivalent to up to 40% of total unrestricted reserves at any one time (£643,077 based on the charity's unrestricted reserves as at end-August 2024), while, based on the latest 3Y budget, ICT investments are forecast to be equivalent to ~£120,000. It is important to note that these balances are fungible, especially in the unlikely event of the school having to close and its operations run down – part of these designated reserves would be used to cover the minimum eight months' worth of expenditure.

Investment policy

The Trustee Governors have overall responsibility for the investment of the charity's cash balances, other unrestricted reserves and any unspent restricted reserves. In turn, this responsibility is delegated to its Finance, Leadership & Management (FLM) sub-committee to monitor on an on-going basis. This sub-committee reports to the Board of Trustee Governors on a periodic basis, including a summary of the various investments, their performance and risks.

The FLM sub-committee's primary investment objectives are:

(1) To ensure adequate cash balances are available in an approved bank account to cover day-to-day working capital requirements of the school's operations, without the account becoming overdrawn; and
(2) To protect the real long-term capital value of the unrestricted reserves, minimising risks and optimising returns, with due consideration taken of the flexibility and term of investments.

The committee analyses and monitors the various market risks associated with these investments on an on-going basis, with working cash balances and other unrestricted reserves distributed across potentially three main investment types, depending on the total balances at-hand: -

(1) Bank current/ business accounts;
(2) Savings accounts and other similar savings vehicles; and
(3) Investment funds.

Historically, given the relatively limited unrestricted reserves available (at least by the levels required to employ an external investment mandate) and the low-risk appetite, the majority has been placed in (1) and (2) above. Given the administrative burden of applying for individual saving accounts (in (2) above), we invest across bank savings accounts offered on the CAF Flagstone investment platform, which allows us to allocate balances across a wide range of accounts in a timely and efficient manner (albeit constrained to a max £85,000 insured limit per account). As/ when these unrestricted reserves grow in value more significantly above our projected minimum requirements (see Reserves policy above), the FLM sub-committee would expect to explore options within (3) above, albeit with a focus on capital preservation and risk diversification. At this time external professional advice would be sought as a key input to any decision.

Investment returns

For the FY2023-24, balances invested on the CAF Flagstone investment platform (£1,387,414 as at 31 August 2024) returned £41,540 in interest (vs £10,438 in FY2022-23).

Going concern

After making appropriate enquires, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In the first instance this is based on the number of students on roll (both current and projected, given strong on-going demand for places) and their associated fees covering current and projected expenses of running the school. Beyond this, the charity's sizeable surplus funds provide more than additional comfort that the charity could cover any potential short-term deficits to continue as a going concern with no interruption to its core teaching provision. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Principal funding

The principal funding is from local authorities, with top-up school fees in some instances from parents, plus grants from the central Education and Skills Funding Agency (ESFA).

The statement of Financial activities for the year is set out on page 27 of the financial statements. A summary of the financial results and the work by the charity is set out below.

How principal sources of funding support the key objectives of the charity

- Fees from local authorities along with fees charged to parents facilitate the day-to-day running of the school, providing resources to cover staff salaries, teaching resources (incl. books, stationery supplies, computers) and other operating overheads.
- Grants received from the ESFA provide a top-up to fees received from placing local authorities and help subsidise student fees and enable disadvantaged students with parents who would not otherwise be able to afford the school's fees to benefit from the high-quality education provided.
- The Devolved Formula Capital grant enables the purchase of classroom and IT equipment to further learning.
- The Capital Maintenance grant ensures premises are fit for purpose and remain in good repair, and enable improvements for the benefit of the pupils, such as the construction of the all-weather playing surface.
- The Sports and PE grant facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.
- The Teachers' Pay and Teachers' Pension grants provide additional resources to build teachers' overall compensation.

Material Investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustee Governors see fit. The Trustee Governors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Review

Risk management

The Trustee Governors are ultimately responsible for the management of the risks faced by the school. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence (based on an in-house scoring model), and identifying means of mitigating risks. A record of these is kept in a risk register, which is formally reviewed at each main Board of Trustee Governor meeting, and by the three separate sub-committees of the main Board on a periodic basis. In addition, a comprehensive list of school policies is regularly reviewed and updated for best practice, including input from an independent, third party HR firm.

As of the balance sheet date, the key risks identified by the Trustee Governors can be split across three main categories as follows:

(1) **Strategic and reputational risks**, including, but not limited to: -
   (a) A major safeguarding or health and safety incident;
   (b) A future pandemic;
   (c) Competition risk arising from new or re-purposed schools in the area;
   (d) Loss of Chair of Trustee Governors and inability to promote or recruit a replacement;
   (e) A breach of staff code of conduct; and
   (f) A poor Ofsted inspection;

(2) **Operational risks**, including, but not limited to: -
   (a) A permanent loss of premises and/or inability to find new suitable premises when current tenancy ends;
   (b) A temporary loss of premises due to fire, flood or other emergency;
   (c) IT capability risk – out-dated/ unsupported systems causing loss of data and/or operational issue;
   (d) Breach of GDPR or e-security; and
   (e) Staffing issues, e.g. loss of multiple staff at one time and/or significant employment law issues;

(3) **Financial risks**, including, but not limited to: -
   (a) Financial fraud;
   (b) Loss of student numbers making the school's financial model unviable;
   (c) Reserves risk – lack of sufficient funds in reserves to allow school to carry on operations for a limited time under stress; and
   (d) Investment policy risk – capital loss by inappropriate investments of the charity's reserves.
   (e) Loss of key financial personnel.

Mitigating actions are regularly reviewed, assessed for appropriateness and updated where necessary, and with the proviso that some are a work-in-progress given the scale involved. Key strategies implemented to help mitigate some of these risks include, but are not limited to: -
   (i) Maintenance of a comprehensive set of reference policy documents;
   (ii) Continuous offering of staff and Trustee Governor training across all risk categories, as well as regular skills-gap audits;
   (iii) Access to independent, third-party specialist advice, e.g. in HR, IT, data protection (and cyber risk evaluation), insurance and property management;

(iv) Continuing development of senior management of the school and succession planning, where relevant, and including a review of recruitment and staff retention;
(v) Maintenance of a strong working relationship with the school's current property landlord (Hammersmith & West London College);
(vi) Creation of a business continuity plan, including search for alternative settings required in an emergency;
(vii) Development of a coherent and realistic fundraising strategy to help broaden the charity's resources and expand the school's offering;
(viii) A regular review of reserves and investment policies, with strict oversight and schemes of delegation, and ultimate approval/ ratification by the main Board of Trustee Governors;
(ix) Consistent control and forecasting of student numbers, frequent review of management accounts and budgets by an appointed school finance officer; and
(x) Monitor and evaluate student achievement on a termly basis, provide regular training to staff and create a staff culture where peer observation, feedback and discussion about learning are commonplace.

Through the risk management process outlined above, the Trustee Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised the systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

The Trustee Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are broadly satisfied that systems and procedures are in place to mitigate our exposure to these major risks. Nevertheless, the Trustee Governors are acutely aware of the need to continually review and, where necessary, evolve these risk mitigations to enhance overall risk management. This includes working closely with the school's senior leadership team, which takes ownership of many of these mitigating actions on a day-to-day basis, as well as helping it to shape and attain key strategies on its School Improvement Plan and to draw up a longer-term vision for the school.

No means exhaustive and very much aspirational realising that we are at the start of a long journey, but we aspire to transform school values and champion sustainable behaviours through a number of broad ambitions to include:

- Trustee governors and the senior leadership team of the school to lead by example and support the drive to embed culture change across the school, including to ensure that relevant sustainability issues feature on the agenda of Full Board and sub-committee meeting, where relevant – in effect applying an ESG lens to all we do, as well as continuing to embed and promote a strong compliance culture across the school.

- Continue to promote staff engagement (surveys, conversations etc.), an inclusive ("speak-up") culture, diversity, empowerment (offer leadership opportunities), remain committed to fair and equal pay, and create an attractive workplace that aids staff well-being (mental health) as much as possible.

- Continue to focus on maintaining the strength of our balance sheet and financial position that provide the security and stability to support the school as a going concern over the long-term and help make it resilient to various risks. We are acutely aware of our 40-year history and our stewardship of its legacy.

Structure, Governance and Management

Constitution

The company is a charitable company limited by guarantee and was set up by constitution in 2001. It is constituted under a Memorandum and Articles of Association dated 2001 (updated 2018) and is a registered charity (charity number 1090757). The principal objective of the company is to provide education to children. During the year 2023-24 the school averaged 53 pupils and 44 staff.

Governance structure

Trustee Governor Membership & Committees

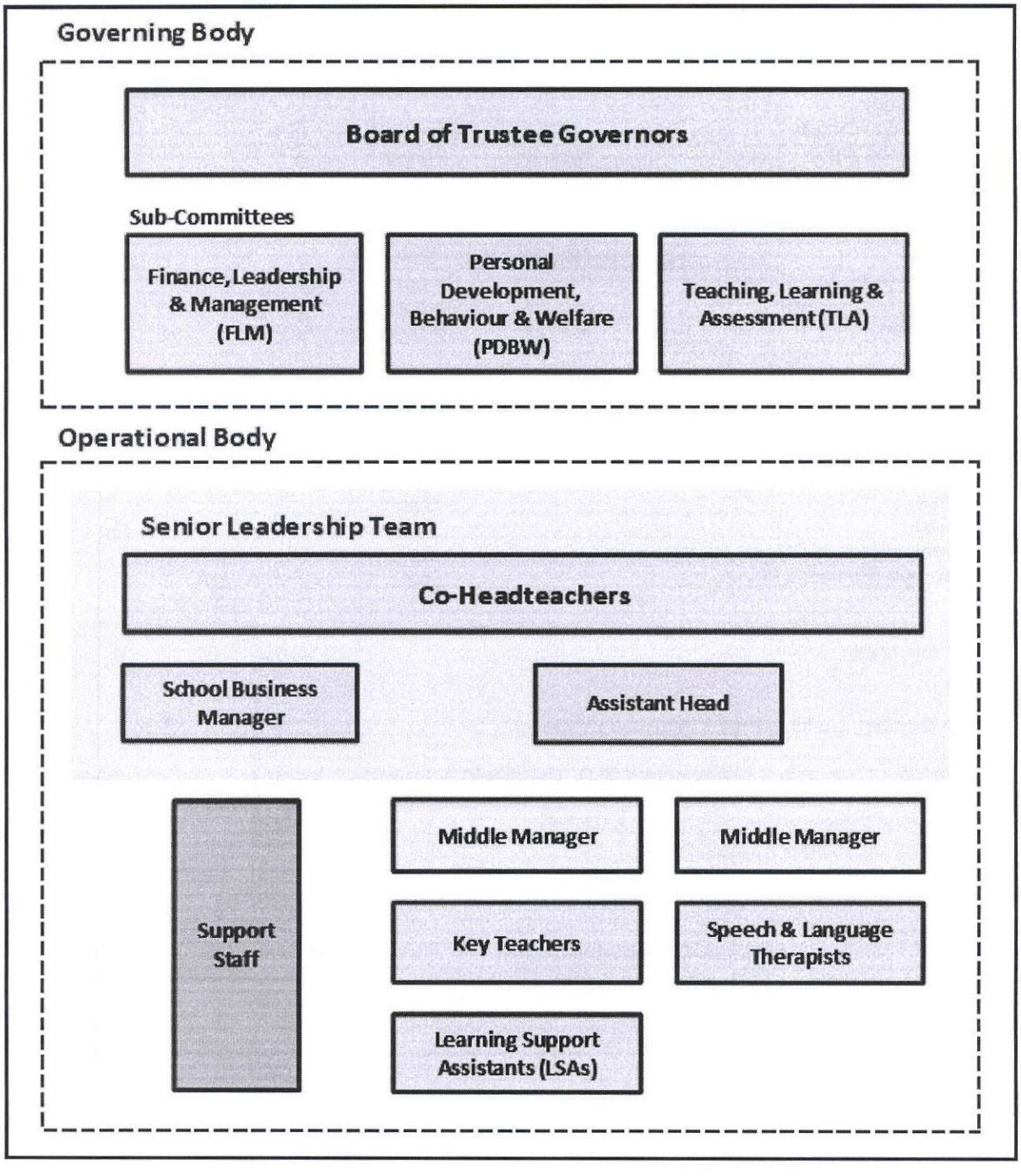
	Appointed	Trustee Governor Type	Main Board	Committees*		
				FLM	PDBW	TLA
Trustee Governors						
Daniela Schwartz (Chair)	Jul-14	Co-opted	■		X	
Hala Ensari (Vice-Chair)	Nov-18	Parent	■			X
Steve Hussey	Jun-17	Parent	■	X		
Yvonne Woodford	Oct-22	Parent	■	■		
Thomas Cowley	Dec-21	Co-opted	■	■		
Jakub Koper	Dec-21	Staff	■		■	■
Georgina Klein (resigned Mar-24)	Dec-21	Co-opted	■			■
Basma Atassi	Mar-24	Co-opted	■		■	
Victoria Coleman	Mar-24	Co-opted	■			■
Associate members						
Nick Herrtage (Real Estate Advisor)	-	External		Eo		
Verity Carnevale (co-Head)	-	Staff		Eo	Eo	
Holly Bristow (co-Head)	-	Staff		Eo		Eo
Claire Huntington	-	Staff				Eo
Jenny Newell	-	Staff				Eo
Phoebe Buret	-	Staff			Eo	
Steve Williams (Finance Officer)	-	Staff		IoA		
Lorraine Morgan (Business Manager)	-	Staff		IoA		
Number of meetings			4	6	4	4

X Chair/ ■ Member/ Eo Ex-officio/ IoA Invited to attend

*FLM=Finance, Leadership & Management [N.B. The previous separate Finance and the Leadership & Management committees were combined to form the FLM committee in January 2019.]
PDBW=Personal Development, Behaviour & Welfare
TLA=Teaching, Learning & Assessment.

Management structure

The Board of Trustee Governors administers the charity. The Trustee Governors of the charity are legally responsible for the overall management and control of the school. The main Board of Trustee Governors is convened four times a year, with separate sub-committees held more often across the year. The work of implementing their policies is carried out by the Co-Headteachers and their staff. The Co-Headteachers attend all the regular meetings of the Board of Trustee Governors (ex-officio) and its sub-committees.



Method of appointment or election of Trustee Governors

The management of the company is the responsibility of the Trustee Governors who are elected and co-opted under the terms of the Articles of Association.

None of the Trustee Governors has any beneficial interest in the company. All of the Trustee Governors are members of the company and guarantee to contribute £10 in the event of a winding up.

Polices adopted for the induction and training of Trustee Governors

New Trustee Governors are included into the workings of the charity and the school, including Board policy and procedures, by attending a meeting as an observer and interviewing with the Co-Headteachers and separately the Chair of Trustee Governors. Training is provided for existing members to ensure that they remain fully conversant with relevant current legislation, policy and procedures. Governing documentation states that the time limit for serving on the Board of Trustee Governors is 4 years (although can be re-elected to serve a second term).

Remuneration Policy

Posts for staff are advertised in the relevant arena. Pay is based on set pay-scales, where they exist, and the experience of the candidate. Similar posts are scrutinised to ensure fair and relevant salary levels.

Group structure

The charity does not have any non-charitable subsidiary, and is not engaged in any form of trading.

Funds held as custodian

No funds are held as custodian.

Significant events after the year-end

None

SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

The Trustees report was approved by the Board of Trustee Governors.

D. Schwartz

D. Schwartz

Daniela Schwartz (Mar 31, 2025 22:11 GMT+1)

Ms D Schwartz
Trustee Governor
Dated: 31st March 2025

S. Hussey

Steven Hussey

Steven Hussey (Mar 31, 2025 18:16 GMT+1)

Mr S Hussey
Trustee Governor
Dated: 31st March 2025

PARAYHOUSE SCHOOL

STATEMENT OF TRUSTEE GOVERNORS' REPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustee Governors (who are also the directors of Parayhouse School for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those 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;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for 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 the legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Environmental, Social and Governance (ESG)

As the charity behind Parayhouse School we are acutely aware of the importance of applying environmental, social and governance (ESG) standards to the running of our school with the aim to make a tangible difference to our students, to our wider community, and to society as a whole.

We are determined to minimise any negative environmental impact of our operations, continue to be a diverse and inclusive employer, strengthen relationships with local communities and suppliers, and to operate with strong corporate governance and behaviour. Furthermore, we want to inspire our colleagues and students to have meaningful conversations around environmental and social challenges and how to successfully address those as part of our curriculum and through extra-curricular activities.

We have established a sustainability lead position within both the Trustee Governors and the school's staff, who continue to work together to hone a comprehensive framework that sets out our sustainability ambitions and how we will work together to reach these goals. This will include setting out how we might align ourselves with the United Nations' Sustainable Development Goals (UN SDGs), where applicable, and how these might inter-link the partnerships of our various stakeholders.

These include school staff, students, Trustee Governors, parents, carers, our local community, local authorities and the Department for Education who fund our student places, our college landlord, and suppliers. As a starting point we have identified the following goals as best aligning with our objectives across E, S and G factors (with specific relevant sub-goals set out in the Appendix below):



The 'E' in ESG: Environmental considerations

We are somewhat beholden to our college landlord in terms of our carbon footprint as it supplies our various forms of energy, but we can control how efficiently we use that energy (for example, making sure windows are closed in winter, lights and other electrical equipment are switched off when not in use).

Hence, we reinforce best practice amongst our colleagues and students about energy efficiency while using the school buildings. Equally, we are committed to reduce waste where possible and champion recycling.

Until the end of our lease, we will look to work more closely with the college to minimise carbon emissions where possible and to jointly agree on an environmental action plan. In addition, we will begin to analyse how we might set up our operations in a potentially new site to better control and align management of environmental considerations.

The 'S' in ESG: Social considerations

As a school catering for young people with speech, language and communication difficulties and other special needs, we offer a hugely relevant social provision to the wider London community, giving access to education for this dis-advantaged cohort of students.

Safeguarding our students is paramount to our school. This extends to data safeguarding and related cyber risks, and to maintaining an extensive set of policies to set internal Safeguarding standards.

Furthermore, we are committed to be an inclusive school and practice diversity in our admissions policy as well as prioritise diversity and inclusion within our staff base while providing colleagues with a safe, supportive and friendly environment to work in – which is reflected in our Code of Conduct. We follow fair pay - with salaries benchmarked to inner London levels - and aim to offer as many additional staff incentives as possible.

We aspire to work closely with our parent and carer community and our local community, and we continue to establish relationships with other schools and with local companies, aiming to focus on local suppliers where possible.

We continue to regularly review all suppliers with a view to estimating their environmental impacts, expecting all suppliers to comply with applicable laws and regulations in place. Similarly, we expect our suppliers to abide to all applicable laws and regulations with regards to modern slavery, human trafficking or forced labour.

The 'G' in ESG: Governance

The structure, governance and management section in the Trustees report sets out details on the charity's governance and school's management structures.

Parayhouse School's ESG ambitions

By no means exhaustive and very much aspirational realising that we are at the start of a long journey, but we aspire to transform school values and champion sustainable behaviours through a number of broad ambitions to include:

- Trustee governors and the senior leadership team of the school to lead by example and support the drive to embed culture change across the school, including to ensure that relevant sustainability issues feature on the agenda of Full Board and sub-committee meeting, where relevant – in effect applying an ESG lens to all we do, as well as continuing to embed and promote a strong compliance culture across the school.

- Continue to promote staff engagement (surveys, conversations etc.), an inclusive ("speak-up") culture, diversity, empowerment (offer leadership opportunities), remain committed to fair and equal pay, and create an attractive workplace that aids staff well-being (mental health) as much as possible.

- Aim to put together a "climate action plan", which aligns with the DfE's sustainability and climate change strategy, including an appropriate teaching plan to incorporate climate change in our curriculum, where possible, with the aim of inspiring our students. The latter should include integrating student views on how the school is run sustainably, which should hopefully motivate the students to improve environmental awareness, which in turn might include projects on biodiversity, making use of our external space.

- Step up efforts to engage with parents and carers, as well as other external stakeholders, to drive change.

- Engage with other schools to learn from best practice on various ESG issues, as well as access government resources and tools.

- Explore the potential to become signatories to various initiatives, pledges and accreditations.

- Better understand our energy usage and conduct an energy audit, to target where we can save energy and develop a plan to encourage good practices and behaviours in all those who use the school. This might include promoting and facilitating more environmentally-friendly travel for staff and students to and from school, as well as a comprehensive review of energy usage, waste and recycling, paper and printing, food and food waste and water usage within the school.

- Continue to focus on maintaining the strength of our balance sheet and financial position that provide the security and stability to support the school as a going concern over the long-term and help make it resilient to various risks. We are acutely aware of our 40-year history and our stewardship of its legacy.

Appendix: Applicable UN SDGs (and sub-goals)

- **Goal 4: Ensure inclusive and equitable quality education and promote life-long learning opportunities for all**
  - 4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes
  - 4.4 Substantially increase the number of youths and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
  - 4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations
  - 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.
  - 4.a. Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all
- **Goal 5: Achieve gender equality and empower all women and girls**
  - 5.1 End all forms of discrimination against all women and girls everywhere
  - 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
  - 5.b. Enhance the use of enabling technology, in particular information and communication technology, to promote the empowerment of women
  - 5.c. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels
- **Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**
  - 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- **Goal 10: Reduce inequality within and among countries**
  - 10.2 Empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
- **Goal 12: Ensure sustainable consumption and production patterns**
  - 12.2 Achieve the sustainable management and efficient use of natural resources
  - 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse
  - 12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycles
  - 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities
  - 12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature
  - Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
  - 16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children
  - 16.6 Develop effective, accountable and transparent institutions at all levels
  - 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels
  - 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreement.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARAYHOUSE SCHOOL

Opinion

We have audited the financial statements of Parayhouse School for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, 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 charitable company's affairs as at 31 August 2024 and of the charitable company's net movement in funds, including the 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 charity 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 Charities Act 2011 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 trustee governors 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 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 trustee governors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee governors are responsible for the other information. The other information comprises the information included in the Trustee Governors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Trustee Governors' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustee Governors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee Governors' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the 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 trustee governors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustee Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustee Governors for the financial statements
As explained more fully in the trustee governors' responsibilities statement set out on page 17, the trustee governors (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 trustee governors 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 trustee governors are responsible for assessing the 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 trustee governors either intend to liquidate the 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

- Reviewing minutes of all Trustee Governor meetings during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Haralambos Hambi (Senior Statutory Auditor)
for and on behalf of Alpha Accountants (London) Limited, Statutory Auditor

585a Fulham Road
Fulham
London
SW6 5UA

Date: 02/04/2025

PARAYHOUSE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
INCOME FROM:					
Donations, legacies and grants	4	553,391	220,218	773,609	702,914
Charitable activities	5	982,861	-	982,861	1,018,889
Investments	6	43,746	-	43,746	6,185
Other income	7	83,607	-	83,607	69,801
Total income		1,663,605	220,218	1,883,823	1,797,789
EXPENDITURE ON:					
Charitable activities	8	1,489,148	283,234	1,772,382	1,786,639
Total expenditure		1,489,148	283,234	1,772,382	1,786,639
NET INCOME		174,457	(63,016)	111,441	11,150
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		174,457	(63,016)	111,441	11,150
RECONCILIATION OF FUNDS					
Fund balances brought forward At 1 September 2023		1,433,236	167,535	1,600,771	1,589,621
Fund balance carried forward At 31 August 2024		1,607,693	104,519	1,712,212	1,600,771

The notes on pages 30 to 42 form part of these financial statements.

PARAYHOUSE SCHOOL

BALANCE SHEET

AT 31 AUGUST 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	14	97,060	144,172
CURRENT ASSETS			
Debtors	15	23,571	30,292
Cash at bank and in hand		1,659,022	1,818,839
		1,682,593	1,849,131
CREDITORS			
Amounts falling due within one year	16	(67,441)	(392,532)
NET CURRENT ASSETS		1,615,152	1,456,599
NET ASSETS		1,712,212	1,600,771
THE FUNDS OF THE CHARITY			
Restricted funds	17	104,519	167,535
Unrestricted funds		1,607,693	1,433,236
TOTAL CHARITY FUNDS		1,712,212	1,600,771

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31st August 2024, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and applications of resources including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The financial statements on pages 27 to 42 were approved by the trustees and authorised for issued and are signed on their behalf by:

D. Schwartz

Daniela Schwartz (Mar 31, 2025 22:11 GMT+1)

Ms D Schwartz
Trustee Governor
Dated: 31st March 2025

Steven Hussey

Steven Hussey (Mar 31, 2025 18:16 GMT+1)

Mr S Hussey
Trustee Governor
Dated: 31st March 2025

PARAYHOUSE SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	111,441	11,150
Adjustments for		
Depreciation	61,972	65,260
Investment income	(43,746)	(6,185)
Decrease in stocks	-	-
(Increase)/decrease in debtors	6,721	2,591
Increase/(decrease) in creditors	(325,091)	87,371
Net cash used in operating activities	(188,703)	160,187
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	43,746	6,185
Purchase of tangible assets	(16,139)	(42,209)
Sale of tangible fixed assets	1,279	431
Net cash (used in)/provided by investing activities	28,886	(35,593)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	(159,817)	124,594
Cash and cash equivalents at the beginning of the reporting period	1,818,839	1,694,245
Cash and cash equivalents at the end of the reporting period	1,659,022	1,818,839

1. GENERAL INFORMATION

The charity (number 1090757) is limited by guarantee, incorporated in England & Wales (number 04270330), and consequently does not have share capital. Each of the Trustee Governors is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hammersmith and Fulham College
Gliddon Road
London
W14 9BL

2. ACCOUNTING POLICIES

Accounting convention
The accounts have been prepared in accordance with the charity's governing document. the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling. which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to Include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustee Governors continue to adopt the going concern basis of accounting in preparing the accounts.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance or their charitable objectives unless the fund have been designated for other purposes.

Restricted funds are subject to specific; conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Income
Income is recognised when the charity is legally entitled to it after any performance conditions have been met. The amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2. ACCOUNTING POLICIES (Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. net of discounts, VAT and other sales related taxes.

Expenditure
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All pension costs and associated liabilities are allocated to unrestricted funds.

Tangible fixed assets
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Leasehold improvements	Over the life of the leasehold
Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	20% straight line

Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks. other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. ACCOUNTING POLICIES (Continued)

Financial instruments
The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's ·balance sheet when the charity becomes party to the contractual provisions of the instrument. ··

Financial assets and liabilities are offset with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets and liabilities
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where tile transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets Classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost. using the effective interest rate method

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities. if payment is due within one year or less. If not, they are presented as non-current liabilities trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. ·

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(Expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability. ·

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the Trustee Governors 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 period.

4. DONATIONS, LEGACIES & GRANTS

	Total 2024 £	Total 2023 £
Donations and legacies	58	720
Grants, including capital & government grants	773,551	702,194
	773,609	702,914

During the year, government grant funding totalled £773,551 (2023: £702,194), including Non-maintained Special Schools funding from the Education & Skills Funding Agency, pupil premium, capital project funding, and assistance towards teachers' pay costs.

5. INCOME FROM CHARITABLE ACTIVITIES

	Total 2024 £	Total 2023 £
School fees receivable	982,861	1,018,889
	982,861	1,018,889

6. INVESTMENTS

	Total 2024 £	Total 2023 £
Interest receivable and similar income	43,746	6,185
	43,746	6,185

7. OTHER INCOME

	Total 2024 £	Total 2023 £
Other income	61,266	46,427
Lunch money	21,671	23,148
Excursion money	670	406
	83,607	69,801

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2024 £	Total 2023 £
Staff costs	932,361	974,758
Depreciation	49,778	48,237
Courses	27,905	30,428
Education materials	9,577	20,316
Sport costs	-	-
Functions and outgoing	289	170
Support costs (see note 9)	752,472	712,729
	1,772,382	1,786,638

9. SUPPORT COSTS

	Total 2024 £	Total 2023 £
Staff costs	249,144	220,589
Depreciation	12,193	17,023
School lunches	25,488	26,432
Insurance	25,479	22,326
Caretaking costs	10,612	1,208
Hire of equipment	15,723	16,126
Motor costs	9,657	11,524
Rent and rates	115,538	117,667
Governance costs (see note 10)	199,767	193,833
Other expenditure	88,871	86,001
	752,472	712,729

10. GOVERNANCE COSTS

	Total 2024 £	Total 2023 £
Staff costs	175,982	165,432
Auditors remuneration		
Statutory audit	14,400	12,000
Non-audit services	5,400	4,800
Accountancy fees	3,985	11,601
	199,767	193,833

11. RELATED PARTY TRANSACTIONS

No Trustee Governors, nor any persons connected with them, have received any remuneration from the charity during the year. Additionally, no Trustee Governors have received any reimbursed expenses or any other benefits from the charity during the year.

There were no transactions or balances with related parties during the year requiring disclosure (2023: none).

12. STAFF COSTS

	2024 £	2023 £
Staff costs for the above persons:		
Wages and salaries	1,229,333	1,218,343
Social security costs	89,854	104,190
Other pension costs	38,300	38,246
	1,357,487	1,360,779

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was as follows:

Average employees in the year	44	44

The number of employees whose emoluments fell within the following bands was:

£60,001-£70,000	2	2

The total remuneration of the key management personnel of the charity were £288,029 (2023 - £272,363).

13. OPERATING LEASE COMMITMENTS

As at 31st August 2024 the school's annual commitment under un-cancellable operating lease:

	2024 £	2023 £
Operating lease which expired within 1 year	45,000	79,051
	45,000	79,051

14. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost:				
1 September 2023	241,469	226,883	30,172	498,524
Additions	-	16,139	-	16,139
Disposals	-	(13,295)	-	(13,295)
31 August 2024	241,469	229,727	30,172	501,368
Depreciation:				
1 September 2023	135,958	188,222	30,172	354,352
Charge for year	33,852	28,120	-	61,972
Eliminated on disposal	-	(12,016)	-	(12,016)
31 August 2024	169,810	204,326	30,172	404,308
Net book value:				
31 August 2024	71,659	25,401	-	97,060
31 August 2023	105,511	38,661	-	144,172

15. DEBTORS

	2024 £	2023 £
Trade debtors	1,229	2,339
Prepayments	22,342	19,003
Accrued income	-	8,209
Other debtors	-	741
	23,571	30,292

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Loans and borrowings	56	226
Trade creditors	3,725	29,472
Taxation and social security	37,154	30,628
Accruals and deferred income	26,506	22,797
Other creditors	-	309,409
	67,441	392,532

17. RESTRICTED FUNDS

	1 September 2023	Income	Expenditure	Transfers Between Funds	31 August 2024
	£	£	£	£	£
Restricted funds					
School Condition Allocation (previously Capital maintenance)	86,729	-	(45,468)	-	41,261
School Condition Allocation – Energy Efficiency Grant	13,290	-	(3,054)		10,236
Devolved Formula Capital	19,121	6,654	(4,190)	-	21,585
PE & Sports	13,463	10,000	(6,945)	-	16,518
Pupil Premium	4,255	24,703	(26,897)	-	2,061
Pupil Premium +	-	2,685	(1,153)	-	1,532
Recovery Premium	11,276	26,077	(26,027)	-	11,326
Teacher pay	7,364	56,583	(63,947)	-	-
Teacher pension	12,037	88,757	(100,794)	-	-
School Led Tutoring	-	4,759	(4,759)	-	-
	167,535	220,218	(283,234)	-	104,519

	1 September 2022	Income	Expenditure	Transfers Between Funds	31 August 2023
	£	£	£	£	£
Restricted funds					
School Condition Allocation (previously Capital maintenance)	61,832	66,439	(41,542)	-	86,729
School Condition Allocation – Energy Efficiency Grant	-	14,874	(1,584)	-	13,290
Devolved Formula Capital	16,982	6,692	(4,553)	-	19,121
PE & Sports	19,434	8,000	(13,971)	-	13,463
Pupil Premium	6,163	28,501	(30,409)	-	4,255
Recovery Premium	7,250	23,778	(19,752)	-	11,276
Teacher pay	-	12,950	(5,586)	-	7,364
Teacher pension	12,037	-	-	-	12,037
School Led Tutoring	-	8,677	(8,677)	-	-
	123,698	169,911	(126,074)	-	167,535

Breakfast club
Kellogg's Breakfast Ltd provided grants to schools to help fund Breakfast Clubs for pupils who were primarily entitled to Free School Meals/Pupil Premium. There is a clear link between students who have eaten breakfast and attendance/attainment.

School Condition Allocation (previously known as Capital maintenance)
Ensures premises are fit for purpose and remain in good repair and enable improvements for the benefit of the pupils.

Devolved Formula Capital
The Devolved Formula Capital grant enables works to update infrastructure, the purchase of classroom and IT equipment to further learning.

PE & Sports
The Sports and PE grant is a DfE grant that facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.

Pupil Premium

The Pupil Premium grant is funding to improve education outcomes for disadvantaged pupils in schools in England. Evidence shows that disadvantaged children generally face additional challenges in reaching their potential at school and often do not perform as well as other pupils.

Recovery Premium

The Recovery Premium grant is part of the governments package of funding to support pupils whose education has been impacted by COVID-19. It is focused on Pupil Premium eligible pupils in specialist settings such as special schools, special units and pupil referral units. This is because of the pandemic on these students.

Teachers pay
The teachers' pay grant is a DfE grant that provides funding for schools to support the annual teachers' pay awards.

Teachers' pension
The teachers' pension employer contribution grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

School Led Tutoring

The School Led tutoring grant is to support disadvantaged pupils in catch-up learning and schools will select the pupils in need of support. This will focus on providing tuition to pupils eligible for Pupil Premium but also includes pupils with other types of disadvantage or additional needs.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted Funds £	TOTAL 2024 £
Tangible fixed assets	7,580	89,480	97,060
Current assets	1,682,106	487	1,682,593
Current liabilities	(63,543)	(3,898)	(67,411)
	1,626,143	86,069	1,712,242

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds £	Restricted Funds £	TOTAL 2023 £
Tangible fixed assets	13,645	130,527	144,172
Current assets	1,836,856	11,530	1,848,386
Current liabilities	(362,273)	(30,259)	(392,532)
	1,488,228	111,798	1,600,026

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
INCOME FROM:			
Donations, legacies and grants	533,003	169,911	702,914
Charitable activities	1,018,889	-	1,018,889
Investments	6,185	-	6,185
Other income	69,801	-	69,801
Total income	1,627,878	169,911	1,797,789
EXPENDITURE ON:			
Charitable activities	1,660,565	126,074	1,786,639
Total expenditure	1,660,565	126,074	1,786,639
NET INCOME	(32,687)	43,837	11,150
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	(32,687)	43,837	11,150
RECONCILIATION OF FUNDS			
Fund balances brought forward	1,465,923	123,698	1,589,621
Fund balance carried forward	1,433,236	167,535	1,600,771

PARAYHOUSE SCHOOL

England & Wales - Charity number 1090757

Accounts

Alpha
Chartered Certified Accountants
Registered Auditors and Tax Advisors

PAR014/JAM/ CH
05/04/2024

Companies House
Crown Way
Cardiff
CF14 3UZ
DX 33050 Cardiff

Dear Sir/ Madam,

Parayhouse School – 04270330

Please find enclosed Annual Report and Financial Statement for the above-mentioned client for the year ended 31st August 2023.

Please acknowledge safe receipt.

Yours faithfully,

H Hambi FCCA

585a Fulham Road, London SW6 5UA
Tel: +44 (0)20 7386 0494
Fax: +44 (0)20 7386 0499
Email: info@alpha-accountants.com
Web: www.alpha-accountants.com

ACCA

Alpha Accountants (London) Limited. Registered in England. No. 05515116
Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants.

Company registered number: 04270330
Charity registered number: 1090757

PARAYHOUSE SCHOOL

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2023

PARAYHOUSE SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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PARAYHOUSE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2023

Chair of Trustee Governors	Ms D Schwartz
Vice Chair of Trustee Governors	Ms H Elansari

Board of Trustee Governors: A full list is provided on page 14 of this report

Co-Headteachers	Ms H Bristow Ms V Carnevale
Charity number	1090757
Company number	04270330
Registered office	Hammersmith & Fulham College Gliddon Road London W14 9BL
Auditor	Alpha Accountants (London) Limited 585a Fulham Road Fulham London SW6 5UA
Bankers	HSBC Bank UK plc 315 Fulham Road Chelsea London SE10 9QJ
Solicitors	Veale Wasbrough Vizards 86 Fetter Lane London EC4A 1AD

PARAYHOUSE SCHOOL

INTRODUCTORY OVERVIEW

FOR THE YEAR ENDED 31 AUGUST 2023

Parayhouse School is a non-maintained special school for students with significant speech, language and communication needs, moderate/severe learning difficulties and associated social, emotional, behavioural and medical difficulties. The school caters for students from 7-16 years of age.

Parayhouse School is committed to ensuring that each and every student reaches his or her full potential. The school delivers its mission in three essential ways:

(1) It provides a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) It creates a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) It establishes close working relationships between parents, carers, students and staff to support learning and behaviour at home as well as at school.

The school is governed by a registered charity, which takes the school's name, and is run by a Board of Trustee Governors. Senior leadership of the school and its staff are ultimately accountable to this Board and work closely together to actively manage the risks the school faces and help to deliver the co-Headteachers' vision and development of the school.

PARAYHOUSE SCHOOL

CHAIR OF TRUSTEE GOVERNORS' STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023



"We place the education and prospects of our students front and centre in all that we do, and we are fully committed to their wellbeing and that of every member of staff.

Having emerged from the COVID-19 pandemic, and with new challenges, such as the cost-of-living crisis, lying ahead, we are proud that we remain well equipped to provide a safe and nurturing environment for our students and to guide them towards a fulfilling future."

Daniela Schwartz

Looking back to the last twelve months we are very pleased with the following milestones we have achieved:

We have completed – as also outlined in our co-Headteachers' statement - the school's leadership structure, introducing a Middle Management Team and an Assistant Headteacher role. The new roles help to consistently monitor our practice in and out of the classroom and free up capacity of our co-Headteachers for strategic activities.

As part of our determination to maintain our level of excellence in offering tailored teaching to our students, we are delighted with the progress and success of specific learning programmes such as the ASDAN programme, SoSafe! and Real P.E, which we implemented last year. These programmes also help foster an ongoing dialogue with our parents, enabling them to copy the teaching at home.

In the summer, we also sat down with our co-Headteachers to discuss where the school already operates in a sustainable manner (based on ESG considerations) and where we should do more. Our soon-to-be-appointed sustainability lead within the school and our newly elected Sustainability Trustee Governor will jointly develop a sustainability programme for our school, including strategies on how sustainability will be incorporated in lessons and through other activities, how we can reduce the school's carbon emissions, and how we can report in detail on each angle of ESG to provide full transparency to all our stakeholders.

Despite the dramatic price inflation we have all faced over the past year – and continue to face - we are proud to report again that the school continues to be in a healthy financial situation, allowing us to carry out all school improvements in the last school year as planned, and within budget. School improvements – apart from further investments in ICT - have included: installing a new fence and gate along the main playground; upgrading the kitchen area in the Creative Hub to be used for students' cooking lessons; installing new play equipment in the school playground and creating a new outdoor space around the Creative Hub.

Addressing our mid- and long-term development, we have also continued to explore the potential to expand the school, both in potentially providing a sixth class within our current pre-16 provision and potentially the creation of a post-16 provision. This would require additional space (both internally and externally), so we have started exploring the potential to develop our footprint within our current setting as part of the Hammersmith & Fulham College campus, but also to assess the potential to move to a larger site elsewhere.

PARAYHOUSE SCHOOL

CHAIR OF TRUSTEE GOVERNORS' STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

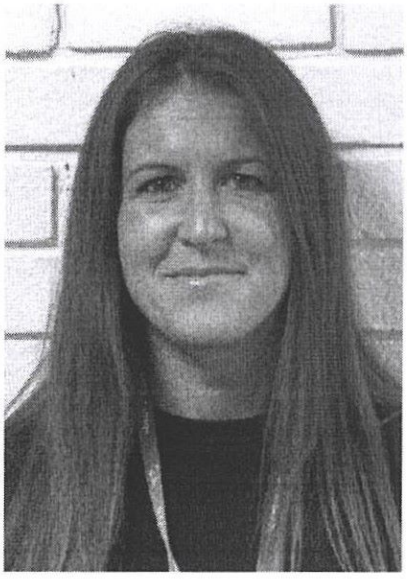
Looking back at all those achievements and, most importantly, having seen how our students are progressing with their speech and language, their life skills, and their academic learning, fills us with pride, and quite simply with joy. On behalf of all Trustee Governors, I would like to express yet again our heartfelt thanks to all our staff who work so hard and diligently, and with great passion to create a uniquely warm and inclusive environment where our students feel safe, supported and valued, and are confident and eager to learn. We are very fortunate to work with such a magnificent team of teachers, learning assistants, therapists, senior and middle managers, and administrative staff

Daniela Schwartz
Chair of Trustee Governors

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2023





Holly Bristow **Verity Carnevale**

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2023

The academic year 2022-23 was a productive and positive one for our school community.

Despite having a key member of staff away on maternity leave we are pleased with the continuity and sustained commitment we have seen our staff maintain in terms of curriculum development, collaborative practice and professional development.

We have focused on continuing to embed our Middle Management Team who are now well-established, respected and have made a positive impact on the division of workload and ensuring the wider staff body are actively involved in all areas of school life. Teachers have now taken on individual roles as subject leads ensuring a breadth of knowledge and increased focus on curriculum areas. We are excited to be working with them more closely next year to enhance their mentoring skills and confidence in managing their teams.

We have continued to see real progress across the ASDAN programme we implemented last year and the response to the introduction of new So Safe! and Real P.E schemes has been encouraging. We look forward to seeing ongoing impact on outcomes for our students as the schemes progress.

Outside of the classroom, students have been able to take their learning out into the community more consistently this past year. Going forward we will be working on our trips' strategy in line with the School Improvement Plan to ensure that we use these valuable opportunities to support learning and to expose the students to a variety of people, places and experiences.

We have also been able to make improvements to our premises particularly aimed at minimising environmental impact, including a bike rack for staff and sensor taps for our students. Sustainability is an area we are committed to continue to develop in 2023-24 with the appointment of a sustainability lead within

the school staff and a dedicated Trustee Governor who will work to develop an action plan and ensure sustainability is embedded in all our school practices.

In other areas of school business, we were delighted to welcome back a previous school bursar who has been working closely with our School Business Manager to implement new financial software to aid in ensuring security and continuity of our procedures.

We also said goodbye to a long-standing member of our school community in July when our Family Support Manager retired. Her role has been filled by an existing member of staff who has an excellent rapport with parents and works closely with the co-Headteachers and Safeguarding Team to ensure we are offering wrap-around support to our families and students. Alongside this we have also been pleased with our continued programme of parental outreach, including how-to-videos, parent workshops and coffee mornings, all intended to bridge the gap in our widely distributed parent community.

Going into 2023-24 we will be focusing heavily on furthering our development of the tools we used to measure progress, particularly for our most complex learners. We are also reviewing our whole school communication strategies' toolkit to ensure that we maintain our level of excellence in this unique area of our school model. We will also be working closely with our Governing Body to review opportunities for future development and the prospect of securing new premises which support this.

Holly Bristow & Verity Carnevale
Co-Headteachers

Trustee Governors' Report

The Trustee Governors (who are also directors of the charity for the purposes of the Companies Act 2006) present their report and accounts for the year ended 31 August 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Charitable Objects

The object for which the charity is established is to advance education by carrying on in Great Britain a school or schools for the public benefit at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description. The charity provides a specialist education for students with speech, language and communication needs, moderate and severe learning difficulties and behavioural, emotional & social difficulties.

Aims of the charity

The school's primary aim is to provide a first-class education by high quality tuition and by developing sporting, artistic and social/ life skills in all its students. The school intends to provide an environment where each student can develop and fulfil his or her potential, to help build self-confidence, independence and social awareness.

The school focuses its work on preparing students with special needs for the challenges they will meet when leaving school. The school recognises that it is the development of social, language and thinking skills that enable students to express themselves, to understand and to function optimally in the world.

We also believe in the power of collaborative practice. Together, we face challenges, celebrate achievement and aspire to do our very best.

We deliver our mission in three essential ways:

(1) We provide a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) We create a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) We establish close working relationships between parents, carers, students and staff to support learning and behaviour.

Strategies for achieving aims and objectives

(1) We continue to develop our current premises, making improvements to our "Creative Hub" for art and music therapy, and to our main premises leased from the College. Our aim is to provide a safe, secure and nurturing learning environment for students and a welcoming and comfortable working environment for staff;
(2) We continue to develop our leadership structure, with a key focus on proving support to the co-Headteachers from Trustee Governors and an experienced external advisor, to ensure the efficient and effective management of the school. In addition, we are focused on developing leadership opportunities further down the school, to help manage succession planning and to offer staff a route to professional development, which includes the development of a "middle management" function;

(3) We continue to develop personalised learning and assessment as a key strategy to maximise the learning opportunities and growth of all students;
(4) We look to increase the impact of speech and language therapy across the school, with a view to achieving high standards in students' communication skills; and
(5) We aim to build upon the current high level of Trustee Governor and parent/ carer involvement, to ensure that the co-Headteachers and staff are effectively challenged, and that parents remain key to school development.

Compliance with Charity Commission guidance

The Trustee Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Staff involvement

One of the keys to the school's success is the aim to foster an engaged and highly motivated staff. By consulting staff, including more regular use of staff surveys, we endeavour to get feedback on a regular basis, not only in ways we can improve the learning experience for our students, but also to improve the well-being of staff. The senior leadership team aims to be pro-active in making sure staff are kept informed of the school's progress. We seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the school's performance.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other staff.

Grant making policies

The school does not currently have a grant making policy.

Use of volunteers

A number of parents and carers of children attending the school volunteer to provide support for many fundraising activities during the year including raffles, quiz nights and sponsored events for the school. The Trustee Governors would like to take this opportunity to say how much we appreciate their continuing and valuable support for our work.

A regular number of students from within higher education are offered unpaid, temporary work experience placements.

Fundraising

Historically, aside from a short, intensive fundraising project in early 2017 to fit out a sensory room, the school has not had an organised fundraising function. In general, we have been able to maintain strong unrestricted reserves that allow us to fund specific projects and activities as they arise, as well as using restricted grants to fund specific projects. Nevertheless, as we continue to review the adequacy of our premises and put in place a detailed 3yr ICT investment plan, we have ring-fenced some of these unrestricted reserves for these" designated" purposes and, as such, will look to have establish a more coherent fundraising strategy sometime in the near future. We will look to build on previous external advice from a number of experts and establish broad short- and long-term objectives. In the short-term these are likely to be focused on applying for various grants to match-fund specific projects and activities.

Achievements and performance

Main Achievements

- Embedded a series of new learning programmes and progress-tracking, and related staff training, which provide a more tailored learning experience for our students ("individual development pathways");
- Continued to operate without any serious safeguarding issues, which is testament to the procedures and policies in place, as well as comprehensive staff and trustee governor training;
- Student numbers remained strong at 52 secured placements;
- Bedding-in of assistant headteacher role, as well as progress of middle managers and the re-appointment of a previous bursar;
- Establishment of teachers as subject leads, forming strong base from which we aim to develop their mentoring skills and confidence in managing their teams (LSAs);
- Bedding-in of interactive whiteboards and laptops/ iPads across the school has improved student engagement, staff productivity and offers a wider range of online learning opportunities to students;
- Re-establishment of school trips and continuation of residential trips, which offer students the opportunities to support learning and work on life skills;
- Progress in succession planning, with seamless hand-over from retiring staff;

Criteria used to measure success

- The school has been able to maintain strong student numbers (at or near capacity), as well as continuing to attract high numbers of referrals and applications for places from prospective students. This continues to reflect positively on the quality of teaching, therapy and support provided, which is helping students progress and strive to reach their full potential;
- Aside from strong initial results from applying the SOLAR assessment tool, we are encouraged by the ability of student leavers to find good post-16 provision in other schools;
- Positive staff and student survey results;
- Despite some staff turnover through the challenging Covid-19 pandemic period (in particular foreign staff returning home), we generally have been able to maintain a core stable and contented staff base and are encouraged by our ability to attract quality new staff, especially in-demand therapists, which is testament to the school's welcoming atmosphere and opportunity for staff advancement (e.g. creation of assistant head and middle management roles);
- We also place great importance on periodic OFSTED inspections, which provide an invaluable independent assessment of the school's progress;
- The charity retains a significant surplus of unrestricted funds, which provides reserves to cover unforeseen losses or required expenditures, as well as allowing the school to run budgeted short-term deficits in more volatile periods (e.g. when inflation rising rapidly and costs (wages) increasing quicker than we are able to increase fees from local authorities).

Plans for the future

In the short- to medium-term the school's leaders are focused on further improvements to the curriculum and further developing our student assessment framework to provide more timely and useful feedback to students, their parents and carers, and to trustee governors. We continue to update and improve our ICT provision across all parts of the school (for both teaching and support functions) and recruit additional staff and improve career advancement.

In the long-term, we continue to explore the potential to expand the school, both in potentially providing a sixth class within our current pre-16 provision and potentially the creation of a post-16 provision. This would require additional space (both internally and externally), so we are exploring the potential to develop our footprint within our current setting as part of the Hammersmith & Fulham College campus, but also to assess the potential to move to a larger site elsewhere. This analysis is at an early stage and will require close cooperation and dialogue with local authorities, staff and parents.

Financial Review

Review of financial position

The charity reported a small surplus of £11,150 for the current year. This compares with an exceptional surplus of £23,023 as reported for the previous year where it was noted the primary reason for the surplus was the impact of COVID.

While lower on a year-on-year basis, it is important to note that it is still a healthy total on a historical basis and that the previous year's total was particularly distorted by the Covid crisis (much reduced operating costs as the school was closed for a large part of that year).

The overall operating surplus (of £11,150) bolstered net assets of the charity to £1,600,026 (from £1,589,621 at 31 August 2022), which is split between unrestricted reserves of £1,433,236 (2022: £1,465,923) and restricted reserves of £167,535 (2022: £123,698).

The total of unrestricted reserves is held in our bank current account and in our account on the CAF Flagstone platform. This allows us to allocate these savings across a wide number of individual bank savings accounts in a much more efficient manner.

On the face of it, unrestricted reserves are now well in excess of the minimum reserves policy set by Trustee Governors (see below), although we are carving out a proportion into new "designated" reserves, specifically for large potential capital expenditure on premises in the medium- to long-term and on ICT. Even so, remaining unrestricted reserves will remain above our minimum and provide a solid buffer against any unforeseen expenditure requirements. Also, these liquid assets are more than sufficient to cover the charity's current liabilities (£1,455,599).

Restricted reserves fell in the year. Generally, we look to spend specific grants within the financial year.

Another way of thinking about total **net** assets of £1,600,771 is to consider the charity's balance sheet, and specifically the difference between its total assets of £1,992,558, split between: -

- Tangible assets of £144,172 (incl. leasehold improvements of £105,511); plus
- Cash balances of £1,818,839 (retained annual net surpluses); plus
- Debtors – accounts receivable and accrued income of £10,548; plus
- Current assets of £19,744;

And its total liabilities of £392,532 (all due within one year): -

Income generation

During the year under review unrestricted income totalled £1,627,066 (2022: £1,681,066), representing a small decrease on the previous year (-3.2% YoY) but well above our budget for the year (+%), with higher student fees (on higher student numbers than budgeted) and EFA DFC grant than was anticipated. Total income is mainly in the form of student fees from placing local authorities (£1,018,889, 2022: £954,369) and EFA student grants (£702,194, 2022: £628,343), with both dependent on student numbers.

Expenditure

The total cost of operation of the school amounted to £1,786,571, representing a significant +7.8% YoY increase on FY21-22 (£1,658,043), albeit just -% below budget. Staff costs continue to account for the bulk of overall costs (~76% in FY22-23), with the next largest cost items being premises costs (~7% of the total), and then a drop down to capital equipment (~4%), professional fees (~2%), staff courses (~2%) and school lunches (~1%), and then a further drop down to a host of smaller line items.

Historical 10-year view

£	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
Net income	**32,667**	**56,979**	**129,028**	**101,640**	**121,755**	**239,741**	**403,810**	**300,539**	**23,023**	**11,150**
Fund balances	**213,106**	**270,085**	**399,113**	**500,752**	**622,508**	**862,249**	**1,226,059**	**1,566,598**	**1,589,621**	**1,600,771**
Restricted	62,839	26,634	81,837	97,569	99,283	133,823	166,289	174,984	123,698	167,535
Unrestricted	150,267	243,451	317,276	403,183	523,225	728,426	1,099,770	1,391,614	1,465,923	1,433,236
Av # students	48	42	48	45	47	56	51	55	53	52
Av # staff	35	32	31	31	33	36	35	39	45	44

Reserves policy

The school needs unrestricted reserves to:

(1) Meet any contractual liabilities should the school be required to close;
(2) Meet any unexpected costs such as premises moves, breakdown of machinery or staff cover;
(3) Replace equipment as it wears out; and
(4) Ensure the school can maintain a high quality of service.

The charity aims to maintain total unrestricted reserves at a level equivalent to at least eight months' operating costs (equivalent to two school terms) based on current annual expenditure whilst also considering the possible need for redundancy costs and to meet service level agreements (most have 3-6-month notice periods) and lease agreements in the event that the school were ever to cease trading. Also, importantly, it provides a reasonable period of time for staff to apply for alternative employment and for students to be placed in an alternative provision. It assumes that student funding ceases over the period, which might not be the case.

The Trustee Governors regularly review the level of unrestricted reserves, and as of 31st August 2023 have determined that based upon expected 2022-23 budgeted levels of expenditure, the amount of unrestricted reserves required is £1,175,094. Current unrestricted reserves are £1,433,236 and so comfortably exceed this minimum requirement.

As outlined above, the school is creating "delegated reserves" to cover potential investments in premises and to cover the budgeted investments in ICT over a three-year period. Over time the school may add to these delegated reserve categories to cover other large multi-year expenditure projects. Nevertheless, it is important to note that these reserves form part of the total unrestricted reserves of the school, not an addition to them.

Designated reserves to cover potential investments in premises are expected to be equivalent to up to 40% of total unrestricted reserves at any one time (£573,294 based on the charity's unrestricted reserves as at end-August 2023), while, based on the latest 3Y budget, ICT investments are forecast to be equivalent to ~£120,000. It is important to note that these balances are fungible, especially in the unlikely event of the school having to close and its operations run down – part of these designated reserves would be used to cover the minimum eight months' worth of expenditure.

Investment policy

The Trustee Governors have overall responsibility for the investment of the charity's cash balances, other unrestricted reserves and any unspent restricted reserves. In turn, this responsibility is delegated to its Finance, Leadership & Management (FLM) sub-committee to monitor on an on-going basis. This sub-committee reports to the Board of Trustee Governors on a periodic basis, including a summary of the various investments, their performance and risks.

The FLM sub-committee's primary investment objectives are:

(1) To ensure adequate cash balances are available in an approved bank account to cover day-to-day working capital requirements of the school's operations, without the account becoming overdrawn; and
(2) To protect the real long-term capital value of the unrestricted reserves, minimising risks and optimising returns, with due consideration taken of the flexibility and term of investments.

The committee analyses and monitors the various market risks associated with these investments on an on-going basis, with working cash balances and other unrestricted reserves distributed across potentially three main investment types, depending on the total balances at-hand: -

(1) Bank current/ business accounts;
(2) Savings accounts and other similar savings vehicles; and
(3) Investment funds.

Historically, given the limited unrestricted reserves available and the low risk appetite, the majority has been placed in (1) and (2) above. As/ when these unrestricted reserves grow in value more significantly above our projected minimum requirements (see Reserves policy above), the FLM sub-committee would expect to explore options within (3) above, albeit with a focus on capital preservation and risk diversification. At this time external professional advice would be sought as a key input to any decision.

Going concern

After making appropriate enquires, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In the first instance this is based on the number of students on roll (both current and projected, given strong on-going demand for places) and their associated fees covering current and projected expenses of running the school. Beyond this, the charity's sizeable surplus funds provide more than additional comfort that the charity could cover any potential short-term deficits to continue as a going concern with no interruption to its core teaching

provision. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Principal funding

The principal funding is from local authorities, with top-up school fees in some instances from parents, plus grants from the central Education and Skills Funding Agency (ESFA).

The statement of Financial activities for the year is set out on page 25 of the financial statements. A summary of the financial results and the work by the charity is set out below.

How principal sources of funding support the key objectives of the charity

- Fees from local authorities along with fees charged to parents facilitate the day-to-day running of the school, providing resources to cover staff salaries, teaching resources (incl. books, stationery supplies, computers) and other operating overheads.
- Grants received from the ESFA provide a top-up to fees received from placing local authorities and help subsidise student fees and enable disadvantaged students with parents who would not otherwise be able to afford the school's fees to benefit from the high-quality education provided.
- The Devolved Formula Capital grant enables the purchase of classroom and IT equipment to further learning.
- The Capital Maintenance grant ensures premises are fit for purpose and remain in good repair, and enable improvements for the benefit of the pupils, such as the construction of the all-weather playing surface.
- The Sports and PE grant facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.
- The Teachers' Pay and Teachers' Pension grants provide additional resources to build teachers' overall compensation.

Material Investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustee Governors see fit. The Trustee Governors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Review

Risk management

The Trustee Governors are ultimately responsible for the management of the risks faced by the school. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence (based on an in-house scoring model), and identifying means of mitigating risks. A record of these is kept in a risk register, which is formally reviewed at each main Board of Trustee Governor meeting, and by the three separate sub-committees of the main Board on a periodic basis. In addition, a comprehensive list of school policies is regularly reviewed and updated for best practice, including input from an independent, third party HR firm.

As of the balance sheet date, the key risks identified by the Trustee Governors can be split across three main categories as follows:

(1) **Strategic and reputational risks**, including, but not limited to: -
   (a) A major safeguarding or health and safety incident;
   (b) Worsening of the Covid-19 outbreak or a new pandemic;
   (c) Competition risk arising from new or re-purposed schools in the area;
   (d) Loss of Chair of Trustee Governors and inability to promote or recruit a replacement;
   (e) A breach of staff code of conduct; and
   (f) A poor Ofsted inspection;

(2) **Operational risks**, including, but not limited to: -
   (a) A permanent loss of premises;
   (b) A temporary loss of premises due to fire, flood or other emergency;
   (c) Failure of West London College to proceed with plans for new build/Parayhouse school not included in any development plans.
   (d) IT capability risk – out-dated/ unsupported systems causing loss of data and/or operational issue;
   (e) Breach of GDPR or e-security; and
   (f) Staffing issues, e.g. loss of multiple staff at one time and/or significant employment law issues;

(3) **Financial risks**, including, but not limited to: -
   (a) Financial fraud;
   (b) Loss of student numbers making the school's financial model unviable;
   (c) Reserves risk – lack of sufficient funds in reserves to allow school to carry on operations for a limited time under stress; and
   (d) Investment policy risk – capital loss by inappropriate investments of the charity's reserves.
   (e) Loss of key financial personnel.

Mitigating actions are regularly reviewed, assessed for appropriateness and updated where necessary, and with the proviso that some are a work-in-progress given the scale involved. Key strategies implemented to help mitigate some of these risks include, but are not limited to: -

   (i) Maintenance of a comprehensive set of reference policy documents;
   (ii) Continuous offering of staff and Trustee Governor training across all risk categories, as well as regular skills-gap audits;
   (iii) Access to independent, third-party specialist advice, e.g. in HR, IT, data protection (and cyber risk evaluation), insurance and property management;
   (iv) Continuing development of senior management of the school and succession planning, where relevant, and including a review of recruitment and staff retention;
   (v) Maintenance of a strong working relationship with the school's current property landlord (Hammersmith & West London College);
   (vi) Creation of a business continuity plan, including search for alternative settings required in an emergency;
   (vii) Development of a coherent and realistic fundraising strategy to help broaden the charity's resources and expand the school's offering;
   (viii) A regular review of reserves and investment policies, with strict oversight and schemes of delegation, and ultimate approval/ ratification by the main Board of Trustee Governors;
   (ix) Consistent control and forecasting of student numbers, frequent review of management accounts and budgets by an appointed school finance officer; and
   (x) Monitor and evaluate student achievement on a termly basis, provide regular training to staff and create a staff culture where peer observation, feedback and discussion about learning are commonplace.

Through the risk management process outlined above, the Trustee Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised the systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

The Trustee Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are broadly satisfied that systems and procedures are in place to mitigate our exposure to these major risks. Nevertheless, the Trustee Governors are acutely aware of the need to continually review and, where necessary, evolve these risk mitigations to enhance overall risk management. This includes working closely with the school's senior leadership team, which takes ownership of many of these mitigating actions on a day-to-day basis, as well as helping it to shape and attain key strategies on its School Improvement Plan and to draw up a longer-term vision for the school.

No means exhaustive and very much aspirational realising that we are at the start of a long journey, but we aspire to transform school values and champion sustainable behaviours through a number of broad ambitions to include:

- Trustee governors and the senior leadership team of the school to lead by example and support the drive to embed culture change across the school, including to ensure that relevant sustainability issues feature on the agenda of Full Board and sub-committee meeting, where relevant – in effect applying an ESG lens to all we do, as well as continuing to embed and promote a strong compliance culture across the school.

- Continue to promote staff engagement (surveys, conversations etc.), an inclusive ("speak-up") culture, diversity, empowerment (offer leadership opportunities), remain committed to fair and equal pay, and create an attractive workplace that aids staff well-being (mental health) as much as possible.

- Continue to focus on maintaining the strength of our balance sheet and financial position that provide the security and stability to support the school as a going concern over the long-term and help make it resilient to various risks. We are acutely aware of our 40-year history and our stewardship of its legacy.

Structure, Governance and Management

Constitution

The company is a charitable company limited by guarantee and was set up by constitution in 2001. It is constituted under a Memorandum and Articles of Association dated 2001 (updated 2018) and is a registered charity (charity number 1090757). The principal objective of the company is to provide education to children. During the year 2022-23 the school averaged 53 pupils and 44 staff.

Governance structure

Trustee Governor Membership & Committees

	Appointed	Trustee Governor Type	Main Board	Committees*		
				FLM	PDBW	TLA
Trustee Governors						
Daniela Schwartz (Chair)	Jul-14	Community	■		X	
Hala Ensari (Vice-Chair)	Nov-18	Parent	■		■	
Johnnie Wraith (Resigned 11th January 2023)	Dec-14	Parent	■	■		
Beatriz Exposito	Nov-19	Staff	■			■
Michael Gallagher (Resigned 14th June 2023)	Sep-19	Community	■			■
Steve Hussey	Jun-17	Parent	■	X		
Jakub Koper	Dec-21	Staff	■		■	■
			■			■
Georgina Klein	Dec-21	Community				
Thomas Cowley	Dec-21	Community	■	■		
Yvonne Woodford	Oct-22					
Associate members						
Nick Herrtage (Real Estate Advisor)	-	External		Eo		
Wendy Coombes (Advisor)	-	External				Eo
Verity Carnevale (co-Head)	-	Staff		Eo	Eo	
Holly Bristow (co-Head)	-	Staff		Eo		Eo
Claire Huntington		Staff				Eo
Phoebe Buret	-	Staff			Eo	
Steve Williams (Finance Officer)	-	Staff		IoA		
Lorraine Morgan (Business Manager)		Staff		IoA		
Number of meetings			4	6	3	4

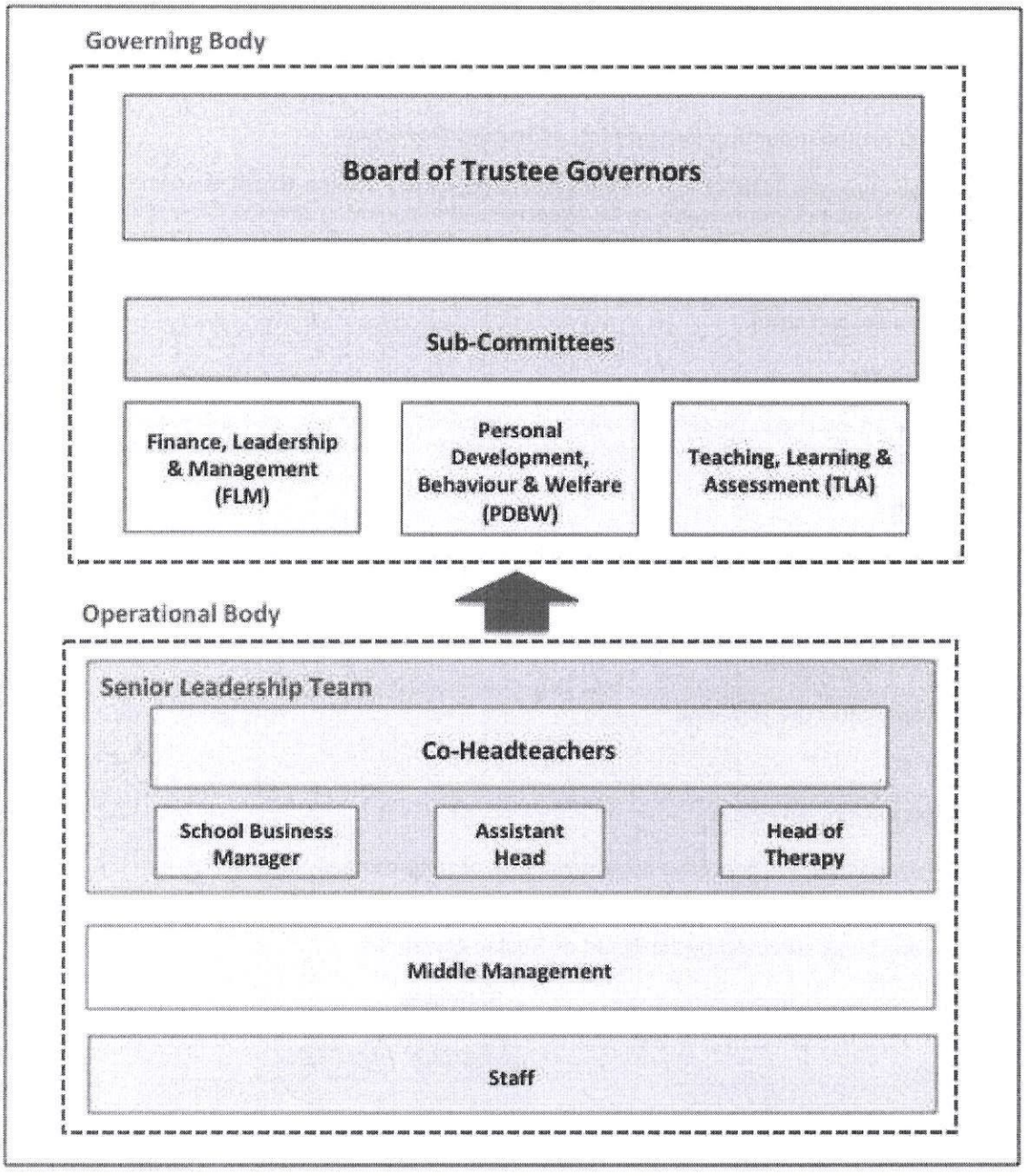
X Chair/ ■ Member/ Eo Ex-officio/ IoA Invited to attend

*FLM=Finance, Leadership & Management/ PDBW=Personal Development, Behaviour & Welfare/ TLA=Teaching, Learning & Assessment. [N.B. The previous separate Finance and the Leadership & Management committees were combined to form the FLM committee in January 2019.]

Management structure

The Board of Trustee Governors administers the charity. The Trustee Governors of the charity are legally responsible for the overall management and control of the school. The main Board of Trustee Governors is convened four times a year, with separate sub-committees held more often across the year.

The work of implementing their policies is carried out by the Co-Headteachers and their staff. The Co-Headteachers attend all the regular meetings of the Board of Trustee Governors (ex-officio) and its sub-committees.



Method of appointment or election of Trustee Governors

The management of the company is the responsibility of the Trustee Governors who are elected and co-opted under the terms of the Articles of Association.

None of the Trustee Governors has any beneficial interest in the company. All of the Trustee Governors are members of the company and guarantee to contribute £10 in the event of a winding up.

Polices adopted for the induction and training of Trustee Governors

New Trustee Governors are included into the workings of the charity and the school, including Board policy and procedures, by attending a meeting as an observer and interviewing with the Co-Headteachers and separately the Chair of Trustee Governors. Training is provided for existing members to ensure that they remain fully conversant with relevant current legislation, policy and procedures. Governing documentation states that the time limit for serving on the Board of Trustee Governors is 4 years (although can be re-elected to serve a second term).

Remuneration Policy

Posts for staff are advertised in the relevant arena. Pay is based on set pay-scales, where they exist, and the experience of the candidate. Similar posts are scrutinised to ensure fair and relevant salary levels.

Group structure

The charity does not have any non-charitable subsidiary, and is not engaged in any form of trading.

Funds held as custodian

No funds are held as custodian.

Significant events after the year-end

None

SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

The Trustees report was approved by the Board of Trustee Governors.

D. Schwartz

Daniela Schwartz (Mar 15, 2024 09:51 GMT)

Ms D Schwartz
Trustee Governor
Dated: 14th March 2024

S. Hussey

Steve Hussey (Mar 15, 2024 13:15 GMT)

Mr S Hussey
Trustee Governor
Dated: 14th March 2024

The Trustee Governors (who are also the directors of Parayhouse School for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those 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;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for 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 the legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Environmental, Social and Governance (ESG)

As the charity behind Parayhouse School we are acutely aware of the importance of applying environmental, social and governance (ESG) standards to the running of our school with the aim to make a tangible difference to our students, to our wider community, and to society as a whole.

We are determined to minimise any negative environmental impact of our operations, continue to be a diverse and inclusive employer, strengthen relationships with local communities and suppliers, and to operate with strong corporate governance and behaviour. Furthermore, we want to inspire our colleagues and students to have meaningful conversations around environmental and social challenges and how to successfully address those as part of our curriculum and through extra-curricular activities.

The 'E' in ESG: Environmental considerations

We are somewhat beholden to our college landlord in terms of our carbon footprint as it supplies our various forms of energy, but we can control how efficiently we use that energy (for example, making sure windows are closed in winter, lights and other electrical equipment are switched off when not in use).

Hence we have started raising awareness amongst our colleagues and students about energy efficiency while using the school buildings. Equally, we are committed to reduce waste where possible and champion recycling.

Over the next year, we will look to work more closely with the college to minimise carbon emissions where possible and to jointly agree on an environmental action plan.

The 'S' in ESG: Social considerations

As a school catering for young people with speech, language and communication difficulties and other special needs, we offer a hugely relevant social provision to the wider London community, giving access to education for this dis-advantaged cohort of students.

Safeguarding our students is paramount to our school. This extends to data safeguarding and related cyber risks, and to maintaining an extensive set of policies to set internal Safeguarding standards.

Furthermore, we are committed to be an inclusive school and practice diversity in our admissions policy as well as prioritise diversity and inclusion within our staff base while providing colleagues with a safe, supportive and friendly environment to work in – which is reflected in our Code of Conduct. We follow fair pay - with salaries benchmarked to inner London levels - and aim to offer as many additional staff incentives as possible.

We aspire to work closely with our parent and carer community and our local community, and we continue to establish relationships with other schools and with local companies, aiming to focus on local suppliers where possible.

We are currently reviewing all suppliers with a view to estimate their environmental impacts, expecting all suppliers to comply with applicable laws and regulations in place. Similarly, we expect our suppliers to abide to all applicable laws and regulations with regards to modern slavery, human trafficking or forced labour.

The 'G' in ESG: Governance

The Structure, governance and management section in the Trustees report sets out details on the charity's governance and school's management structures.

ESG reporting

Going forward, we want to reflect our commitment to building a sustainable business by adapting the way we report about our charity's work. Therefore, starting with our Trustee Report 2022/23, we will be aligning our performance with the UN Sustainable Development Goals (SDGs).

Parayhouse School's ESG ambitions

No means exhaustive and very much aspirational realising that we are at the start of a long journey, but we aspire to transform school values and champion sustainable behaviours through a number of broad ambitions to include:

- Trustee governors and the senior leadership team of the school to lead by example and support the drive to embed culture change across the school, including to ensure that relevant sustainability issues feature on the agenda of Full Board and sub-committee meeting, where relevant – in effect applying an ESG lens to all we do, as well as continuing to embed and promote a strong compliance culture across the school.

- Continue to promote staff engagement (surveys, conversations etc.), an inclusive ("speak-up") culture, diversity, empowerment (offer leadership opportunities), remain committed to fair and equal pay, and create an attractive workplace that aids staff well-being (mental health) as much as possible.

- Aim to put together a "climate action plan", which aligns with the DfE's sustainability and climate change strategy, including an appropriate teaching plan to incorporate climate change in our curriculum, where possible, with the aim of inspiring our students. The latter should include integrating student views on how the school is run sustainably, which should hopefully motivate the students to improve environmental awareness, which in turn might include projects on biodiversity, making use of our external space.

- Step up efforts to engage with parents and carers, as well as other external stakeholders, to drive change.

- Engage with other schools to learn from best practice on various ESG issues, as well as access government resources and tools.

- Explore the potential to become signatories to various initiatives, pledges and accreditations.

- Better understand our energy usage and conduct an energy audit, to target where we can save energy and develop a plan to encourage good practices and behaviours in all those who use the school. This might include promoting and facilitating more environmentally-friendly travel for staff and students to and from school, as well as a comprehensive review of energy usage, waste and recycling, paper and printing, food and food waste and water usage within the school.

- Continue to focus on maintaining the strength of our balance sheet and financial position that provide the security and stability to support the school as a going concern over the long-term and help make it resilient to various risks. We are acutely aware of our 40-year history and our stewardship of its legacy.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARAYHOUSE SCHOOL

Opinion

We have audited the financial statements of Parayhouse School for the year ended 31 August 2023 which comprise the Statement of Financial Activities, Balance Sheet, 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 charitable company's affairs as at 31 August 2023 and of the charitable company's net movement in funds, including the 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 charity 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 trustee governors 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 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 trustee governors with respect to going concern are described in the relevant sections of this report.

Other information

The trustee governors are responsible for the other information. The other information comprises the information included in the Trustee Governors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Trustee Governors' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustee Governors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee Governors' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the 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 trustee governors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustee Governors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustee Governors for the financial statements
As explained more fully in the trustee governors' responsibilities statement set out on page 17, the trustee governors (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 trustee governors 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 trustee governors are responsible for assessing the 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 trustee governors either intend to liquidate the 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

- Reviewing minutes of all Trustee Governor meetings during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Haralambos Hambi (Senior Statutory Auditor)
for and on behalf of Alpha Accountants (London) Limited, Statutory Auditor

585a Fulham Road
Fulham
London
SW6 5UA

Date: 15th March 2024.

PARAYHOUSE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
INCOME FROM:					
Donations, legacies and grants	4	533,003	169,911	702,914	629,193
Charitable activities	5	1,018,889	-	1,018,889	954,369
Investments	6	6,185	-	6,185	5,492
Other income	7	69,801	-	69,801	92,012
Total income		1,627,878	169,911	1,797,789	1,681,066
EXPENDITURE ON:					
Charitable activities	8	1,660,565	126,074	1,786,639	1,658,043
Total expenditure		1,660,565	126,074	1,786,639	1,658,043
NET INCOME		(32,687)	43,837	11,150	23,023
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		(32,687)	43,837	11,150	23,023
RECONCILIATION OF FUNDS					
Fund balances brought forward At 1 September 2022		1,465,923	123,698	1,589,621	1,566,598
Fund balance carried forward At 31 August 2023		1,433,236	167,535	1,600,771	1,589,621

The notes on pages 28 to 40 form part of these financial statements.

PARAYHOUSE SCHOOL

BALANCE SHEET

AT 31 AUGUST 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	144,172	167,654
CURRENT ASSETS			
Debtors	14	30,292	32,883
Cash at bank and in hand		1,818,839	1,694,245
		1,849,131	1,727,128
CREDITORS			
Amounts falling due within one year	15	(392,532)	(305,161)
NET CURRENT ASSETS		1,456,599	1,421,967
NET ASSETS		1,600,771	1,589,621
THE FUNDS OF THE CHARITY			
Restricted funds	16	167,535	123,698
Unrestricted funds		1,433,236	1,465,923
TOTAL CHARITY FUNDS		1,600,771	1,589,621

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31st August 2023, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and applications of resources including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The financial statements on pages 25 to 40 were approved by the trustees and authorised for issued and are signed on their behalf by:

D Schwartz

Daniela Schwartz (Mar 15, 2024 09:51 GMT)

Ms D Schwartz
Trustee Governor
Dated: 14th March 2024

Steve Hussey

Steve Hussey (Mar 15, 2024 13:15 GMT)

Mr S Hussey
Trustee Governor
Dated: 14th March 2024

PARAYHOUSE SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	11,150	23,019
Adjustments for		
Depreciation	65,260	57,437
Investment income	(6,185)	(5,489)
Decrease in stocks	-	-
Increase/decrease in debtors	2,591	(1,295)
Increase/decrease in creditors	87,371	136,624
Net cash used in operating activities	160,187	210,296
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	6,185	5,489
Purchase of tangible assets	(42,209)	(81,385)
Sale of tangible fixed assets	431	669
Net cash (used in)/provided by investing activities	(35,593)	(75,221)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	124,594	135,075
Cash and cash equivalents at the beginning of the reporting period	1,694,245	1,559,170
Cash and cash equivalents at the end of the reporting period	1,818,839	1,694,245

1. GENERAL INFORMATION

The charity (number 1090757) is limited by guarantee, incorporated in England & Wales (number 04270330), and consequently does not have share capital. Each of the Trustee Governors is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hammersmith and Fulham College
Gliddon Road
London
W14 9BL

2. ACCOUNTING POLICIES

Accounting convention
The accounts have been prepared in accordance with the charity's governing document. the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling. which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to Include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustee Governors continue to adopt the going concern basis of accounting in preparing the accounts.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance or their charitable objectives unless the fund have been designated for other purposes.

Restricted funds are subject to specific; conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Income
Income is recognised when the charity is legally entitled to it after any performance conditions have been met. The amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2. ACCOUNTING POLICIES (Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. net of discounts, VAT and other sales related taxes.

Expenditure
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All pension costs and associated liabilities are allocated to unrestricted funds.

Tangible fixed assets
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Leasehold improvements	Over the life of the leasehold
Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	20% straight line

Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks. other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. ACCOUNTING POLICIES (Continued)

Financial instruments
The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's ·balance sheet when the charity becomes party to the contractual provisions of the instrument. ··

Financial assets and liabilities are offset with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets and liabilities
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where tile transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets Classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost. using the effective interest rate method

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities. if payment is due within one year or less. If not, they are presented as non-current liabilities trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. ·

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(Expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability. ·

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the Trustee Governors 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 period.

4. DONATIONS, LEGACIES & GRANTS

	Total 2023 £	Total 2022 £
Donations and legacies	720	850
Grants, including capital & government grants	702,194	628,343
	702,914	629,193

During the year, government grant funding totalled £702,194 (2022: £628,342), including Non-maintained Special Schools funding from the Education & Skills Funding Agency, pupil premium, capital project funding, and assistance towards teachers' pay costs.

5. INCOME FROM CHARITABLE ACTIVITIES

	Total 2023 £	Total 2022 £
School fees receivable	1,018,889	954,369
	1,018,889	954,369

6. INVESTMENTS

	Total 2023 £	Total 2022 £
Interest receivable and similar income	6,185	5,489
	6,185	5,489

7. OTHER INCOME

	Total 2023 £	Total 2022 £
Other income	46,427	69,937
Lunch money	23,148	22,075
Excursion money	406	-
	69,801	92,012

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2023 £	Total 2022 £
Staff costs	974,758	866,502
Depreciation	48,237	40,861
Courses	30,428	23,946
Education materials	20,316	10,098
Sport costs	-	305
Functions and outgoing	170	903
Support costs (see note 9)	712,729	715,428
	1,786,638	1,658,043

9. SUPPORT COSTS

	Total 2023 £	Total 2022 £
Staff costs	220,589	214,873
Depreciation	17,023	16,576
School lunches	26,432	36,537
Insurance	22,326	15,986
Caretaking costs	1,208	1,742
Hire of equipment	16,126	15,364
Motor costs	11,524	5,449
Rent and rates	117,667	113,410
Governance costs (see note 10)	193,833	190,770
Other expenditure	86,001	104,721
	712,729	715,428

10. GOVERNANCE COSTS

	Total 2023 £	Total 2022 £
Staff costs	165,432	162,693
Auditors remuneration		
Statutory audit	12,000	9,600
Non-audit services	4,800	3,600
Accountancy fees	11,601	14,877
	193,833	190,770

11. RELATED PARTY TRANSACTIONS

No Trustee Governors, nor any persons connected with them, have received any remuneration from the charity during the year. Additionally, no Trustee Governors have received any reimbursed expenses or any other benefits from the charity during the year.

There were no transactions or balances with related parties during the year requiring disclosure (2022: none).

12. STAFF COSTS

	2023 £	2022 £
Staff costs for the above persons:		
Wages and salaries	1,218,343	1,112,112
Social security costs	104,190	95,546
Other pension costs	38,246	36,410
	1,360,779	1,244,068

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was as follows:

Average employees in the year	44	45

The number of employees whose emoluments fell within the following bands was:

£60,001-£70,000	2	2

The total remuneration of the key management personnel of the charity were £272,363 (2022 - £239,151).

13. OPERATING LEASE COMMITMENTS

As at 31st August 2023 the school's annual commitment under un-cancellable operating lease:

	2023 £	2022 £
Operating lease which expired within 1 year	79,051	79,051
	79,051	79,051

14. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost:				
1 September 2022	214,027	214,014	30,172	458,213
Additions	27,442	14,767	-	42,209
Disposals	-	(1,898)	-	(1,898)
31 August 2023	241,469	226,883	30,172	498,524
Depreciation:				
1 September 2022	102,106	158,280	30,172	290,558
Charge for year	33,852	31,408	-	65,260
Eliminated on disposal	-	(1,466)	-	(1,466)
31 August 2023	135,958	188,222	30,172	354,352
Net book value:				
31 August 2023	105,511	38,661	-	144,172
31 August 2022	111,921	55,734	-	167,655

14. DEBTORS

	2023 £	2022 £
Trade debtors	2,339	-
Prepayments	19,003	25,577
Accrued income	8,209	6,217
Other debtors	741	1,089
	30,292	32,882

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Loans and borrowings	226	527
Trade creditors	29,472	25,940
Taxation and social security	30,628	33,049
Accruals and deferred income	22,797	30,011
Other creditors	309,409	215,634
	392,532	305,161

16. RESTRICTED FUNDS

	1 September 2022	Income	Expenditure	Transfers Between Funds	31 August 2023
	£	£	£	£	£
Restricted funds					
Breakfast Club	-	-	-	-	-
School Condition Allocation (previously Capital maintenance)	61,832	66,439	(41,542)	-	86,729
School Condition Allocation – Energy Efficiency Grant	-	14,874	(1,584)		13,290
Devolved Formula Capital	16,982	6,692	(4,553)	-	19,121
PE & Sports	19,434	8,000	(13,971)	-	13,463
Pupil Premium	6,163	28,501	(30,409)	-	4,255
Recovery Premium	7,250	23,778	(19,752)	-	11,276
Teacher pay	-	12,950	(5,586)	-	7,364
Teacher pension	12,037	-	-	-	12,037
School Led Tutoring	-	8,677	(8,677)	-	-
COVID-19 Vaccination	-	-	-	-	-
	123,698	169,911	(126,074)	-	167,535

	1 September 2021	Income	Expenditure	Transfers Between Funds	31 August 2022
	£	£	£	£	£
Restricted funds					
Breakfast Club	763	-	-	(763)	-
School Condition Allocation (previously Capital maintenance)	122,621	7,917	(68,706)	-	61,832
Devolved Formula Capital	20,252	2,806	(6,076)	-	16,982
PE & Sports	17,492	8,000	(6,058)	-	19,434
Pupil Premium	-	24,547	(18,384)	-	6,163
Recovery Premium	-	7,250	-	-	7,250
Teacher pay	-	11,033	(11,033)	-	-
Teacher pension	-	30,576	(18,539)	-	12,037
School Led Tutoring	-	10,046	(10,046)	-	-
COVID-19 Vaccination	-	1,036	(1,036)	-	-
	161,128	103,211	(139,878)	(763)	123,698

Breakfast club
Kellogg's Breakfast Ltd provided grants to schools to help fund Breakfast Clubs for pupils who were primarily entitled to Free School Meals/Pupil Premium. There is a clear link between students who have eaten breakfast and attendance/attainment.

School Condition Allocation (previously known as Capital maintenance)
Ensures premises are fit for purpose and remain in good repair and enable improvements for the benefit of the pupils.

Devolved Formula Capital
The Devolved Formula Capital grant enables works to update infrastructure, the purchase of classroom and IT equipment to further learning.

PE & Sports
The Sports and PE grant is a DfE grant that facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.

Pupil Premium

The Pupil Premium grant is funding to improve education outcomes for disadvantaged pupils in schools in England. Evidence shows that disadvantaged children generally face additional challenges in reaching their potential at school and often do not perform as well as other pupils.

Recovery Premium

The Recovery Premium grant is part of the governments package of funding to support pupils whose education has been impacted by COVID-19. It is focused on Pupil Premium eligible pupils in specialist settings such as special schools, special units and pupil referral units. This is because of the pandemic on these students.

Teachers pay
The teachers' pay grant is a DfE grant that provides funding for schools to support the annual teachers' pay awards.

Teachers' pension
The teachers' pension employer contribution grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

School Led Tutoring

The School Led tutoring grant is to support disadvantaged pupils in catch-up learning and schools will select the pupils in need of support. This will focus on providing tuition to pupils eligible for Pupil Premium but also includes pupils with other types of disadvantage or additional needs.

COVID-19 Vaccination

The Government provided schools with a one-off payment to support schools in hosting vaccinations and ensuring that the COVID-19 vaccine is accessible to pupils.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted Funds £	TOTAL 2023 £
Tangible fixed assets	13,645	130,527	144,172
Current assets	1,836,856	11,530	1,848,386
Current liabilities	(362,273)	(30,259)	(392,532)
	1,488,228	111,798	1,600,026

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds £	Restricted Funds £	TOTAL 2022 £
Tangible fixed assets	25,732	141,922	167,654
Current assets	1,723,806	3,322	1,727,128
Current liabilities	(282,790)	(22,371)	(305,161)
	1,466,748	122,873	1,589,621

18. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
INCOME FROM:			
Donations, legacies and grants	525,982	103,211	629,193
Charitable activities	954,369	-	954,369
Investments	5,492	-	5,492
Other income	92,012	-	92,012
Total income	1,577,855	103,211	1,681,066
EXPENDITURE ON:			
Charitable activities	1,518,165	139,878	1,658,043
Total expenditure	1,518,165	139,878	1,658,043
NET INCOME	59,690	(36,667)	23,023
Transfers between funds	763	(763)	-
NET MOVEMENT IN FUNDS	59,687	(36,667)	23,023
RECONCILIATION OF FUNDS			
Fund balances brought forward	1,405,470	161,128	1,566,598
Fund balance carried forward	1,465,923	123,698	1,589,621

PARAYHOUSE SCHOOL

England & Wales - Charity number 1090757

Accounts

Alpha
Chartered Certified Accountants
Registered Auditors and Tax Advisors

PAR014/NM/ C
26/05/2023

Companies House
Crown Way
Cardiff
CF14 3UZ
DX 33050 Cardiff

Dear Sir/ Madam,

Parayhouse School - 04270330

Please find enclosed the signed Audited Accounts for the Year end 31st August 2022.

Please acknowledge safe receipt.

Yours faithfully,

H Hambi FCCA

585a Fulham Road, London SW6 5UA
Tel: +44 (0)20 7386 0494
Fax: +44 (0)20 7386 0499
Email: info@alpha-accountants.com
Web: www.alpha-accountants.com

ACCA

Alpha Accountants (London) Limited. Registered in England. No. 05515116
Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants.

Company registered number: 04270330
Charity registered number: 1090757

PARAYHOUSE SCHOOL

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2022

PARAYHOUSE SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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PARAYHOUSE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2022

Chair of Trustee Governors	Mr J Wraith (Resigned 2nd December 2021)
	Ms D Schwartz (Appointed 2nd December 2021)
Vice Chair of Trustee Governors	Ms H Elansari (Appointed 2nd December 2021)
	D Schwartz (Resigned 2nd December 2021)

Board of Trustee Governors: A full list is provided on page 14 of this report

Co-Headteachers	Ms H Bristow Ms V Carnevale
Charity number	1090757
Company number	04270330
Registered office	Hammersmith & Fulham College Gliddon Road London W14 9BL
Auditor	Alpha Accountants (London) Limited 585a Fulham Road Fulham London SW6 5UA
Bankers	HSBC Bank UK plc 315 Fulham Road Chelsea London SE10 9QJ
Solicitors	Veale Wasbrough Vizards 86 Fetter Lane London EC4A 1AD

PARAYHOUSE SCHOOL

INTRODUCTORY OVERVIEW

FOR THE YEAR ENDED 31 AUGUST 2022

Parayhouse School is a non-maintained special school for students with significant speech, language and communication needs, moderate/severe learning difficulties and associated social, emotional, behavioural and medical difficulties. The school caters for students from 7-16 years of age.

Parayhouse School is committed to ensuring that each and every student reaches his or her full potential. The school delivers its mission in three essential ways:

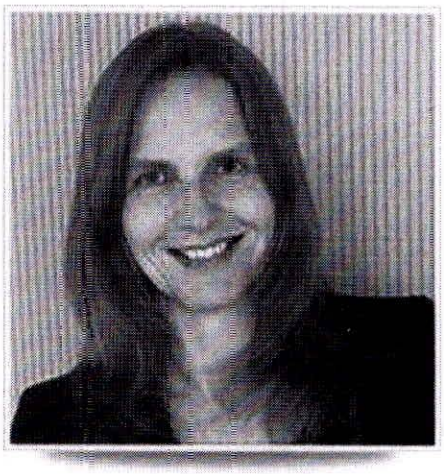
(1) It provides a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) It creates a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) It establishes close working relationships between parents, carers, students and staff to support learning and behaviour at home as well as at school.

The school is governed by a registered charity, which takes the school's name, and is run by a Board of Trustee Governors. Senior leadership of the school and its staff are ultimately accountable to this Board and work closely together to actively manage the risks the school faces and help to deliver the co-Headteachers' vision and development of the school.

PARAYHOUSE SCHOOL

CHAIR OF TRUSTEE GOVERNORS' STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022



"We place the education and prospects of our students front and centre in all that we do, and we are fully committed to their wellbeing and that of every member of staff.

Having emerged from the COVID-19 pandemic, and with new challenges, such as the cost-of-living crisis, lying ahead, we are proud that we remain well equipped to provide a safe and nurturing environment for our students and to guide them towards a fulfilling future."

Daniela Schwartz

Looking back to the last twelve months up to the end of August this year, it is fair to say that this has been a year of two very different halves. While we were still operating with COVID-19 measures in place over the autumn and winter 2021 and feeling the impact of staff and student absences due to COVID-19 infections, we were finally able to gradually open up again in the spring and the summer term 2022 and to bring back wonderful school staples such as our celebration assemblies, Sports Day, the magnificent summer performance, and, of course, the residential and Lifeskills Independence trips – a true highlight for all our students.

Despite these challenging circumstances there has been a real sense of teamwork and "we-are-in-this-together" spirit – and above all, our staff have made sure that our students received excellent teaching throughout, and the positive impact shows today in the progress they have made.

With this eventful school year coming to an end, I would like to express, on behalf of all the Trustee Governors, our heartfelt thanks to all those who work so hard and diligently to create a uniquely warm, inclusive environment where our students feel safe, supported and valued, and are confident and eager to learn. We are very fortunate to work with such a fine team of teachers, learning assistants, therapists and other staff.

Like all schools, there are financial challenges ahead with the cost-of-living-crisis we are all facing. Nevertheless, the school continues to be in a healthy financial situation, which has enabled us to finalise planned school improvements such as upgrading the kitchen area in our Creative Hub, installing new play equipment in our school playground and creating a safe, green outdoor space for games and relaxation around our Creative Hub.

We, the Board of Trustee Governors, remain fully committed to overseeing and protecting both the financial health of the school and every aspect of its mandated responsibilities.

It is with confidence that, on behalf of the Board, I can restate that Parayhouse School remains well equipped to offer our students an individualised curriculum and nurturing environment, allowing them to achieve their full potential.

D.Schwartz

Daniela Schwartz
Chair of Trustee Governors

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2022



Holly Bristow



Verity Carnevale

The beginning of the academic year 21-22 was a challenging period with COVID cases still significantly affecting school life resulting in the delayed implementation of some key projects and the need to postpone several planned events.

This was particularly frustrating for us as a school who thrive on a sense of community with parents and other members of our school family.

However, following the removal of COVID restrictions in March 2022, we were delighted to be able to get back on track and move forward with planned developments and activities.

The second half of the year saw our school community enjoy the reintroduction of sports day, swimming and tennis lessons, off-site art trips and a one-off summer performance by our students in place of the Christmas shows. We were also thrilled to hold our first parent coffee morning which saw a fantastic attendance rate and was enjoyed by all.

At Easter we made an internal promotion to Assistant Head to help bolster our leadership structure and this staff member has been invaluable in supporting improvements across curriculum content, delivery and assessment. This included embedding our ASDAN certification programme and reintroduction of IEPs, both of which are intended to provide a more tailored curriculum and progress tracking system suited to the specific needs of our cohort.

In addition we have been working to build a middle management team to offer further support and this work has been driven forward with the valuable support and expertise of our new external advisor. A relationship we look forward to building on next year.

We move into the next academic year looking to further expand on this year's positive progress with a focus on the future and possible growth opportunities and a significant emphasis on impact review and continual assessment of our practice and its benefits for our students.

We will also keep a cautious eye on the current cost of living crisis across the UK and how this impacts our financial sustainability and development as a school and also the wellbeing and safety of our students. We

will continue to monitor and review how we can best support the emotional health of our students and staff via opportunities such as continued drama therapy and the Employee Assistance programme.

Holly Bristow & Verity Carnevale
Co-Headteachers

Trustee Governors' Report

The Trustee Governors (who are also directors of the charity for the purposes of the Companies Act 2006) present their report and accounts for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Charitable Objects

The object for which the charity is established is to advance education by carrying on in Great Britain a school or schools for the public benefit at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description. The charity provides a specialist education for students with speech, language and communication needs, moderate and severe learning difficulties and behavioural, emotional & social difficulties.

Aims of the charity

The school's primary aim is to provide a first-class education by high quality tuition and by developing sporting, artistic and social/ life skills in all its students. The school intends to provide an environment where each student can develop and fulfil his or her potential, to help build self-confidence, independence and social awareness.

The school focuses its work on preparing students with special needs for the challenges they will meet when leaving school. The school recognises that it is the development of social, language and thinking skills that enable students to express themselves, to understand and to function optimally in the world.

We also believe in the power of collaborative practice. Together, we face challenges, celebrate achievement and aspire to do our very best.

We deliver our mission in three essential ways:

(1) We provide a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) We create a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) We establish close working relationships between parents, carers, students and staff to support learning and behaviour.

Strategies for achieving aims and objectives

(1) We continue to develop our current premises, which this year has included the build-out of a "Creative Hub" for art and music therapy in additional premises leased from the College. Our aim is to provide a safe, secure and nurturing learning environment for students and a welcoming and comfortable working environment for staff;
(2) We continue to develop our leadership structure, with a key focus on proving support to the co-Headteachers from Trustee Governors and an experienced external advisor, to ensure the efficient and effective management of the school. In addition, we are focused on developing leadership opportunities further down the school, to help manage succession planning and to offer staff a route to professional development, which includes the development of a "middle management" function;

(3) We continue to develop personalised learning and assessment as a key strategy to maximise the learning opportunities and growth of all students;
(4) We look to increase the impact of speech and language therapy across the school, with a view to achieving high standards in students' communication skills; and
(5) We aim to build upon the current high level of Trustee Governor and parent/ carer involvement, to ensure that the co-Headteachers and staff are effectively challenged, and that parents remain key to school development.

Compliance with Charity Commission guidance

The Trustee Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Staff involvement

One of the keys to the school's success is the aim to foster an engaged and highly motivated staff. By consulting staff, including more regular use of staff surveys, we endeavour to get feedback on a regular basis, not only in ways we can improve the learning experience for our students, but also to improve the well-being of staff. The senior leadership team aims to be pro-active in making sure staff are kept informed of the school's progress. We seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the school's performance.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other staff.

Grant making policies

The school does not currently have a grant making policy.

Use of volunteers

A number of parents and carers of children attending the school volunteer to provide support for many fundraising activities during the year including raffles, quiz nights and sponsored events for the school. The Trustee Governors would like to take this opportunity to say how much we appreciate their continuing and valuable support for our work.

A regular number of students from within higher education are offered unpaid, temporary work experience placements.

Fundraising

Historically, aside from a short, intensive fundraising project in early 2017 to fit out a sensory room, the school has not had an organised fundraising function. In general, we have been able to maintain strong unrestricted reserves that allow us to fund specific projects and activities as they arise, as well as using restricted grants to fund specific projects. Nevertheless, as we continue to review the adequacy of our premises and put in place a detailed 3yr ICT investment plan, we have ring-fenced some of these unrestricted reserves for these "delegated" purposes and, as such, have established a more coherent fundraising strategy. We will look to build on previous external advice from a number of experts and establish broad short- and long-term objectives. In the short-term these are likely to be focused on applying for various grants to match-fund specific projects and activities.

Achievements and performance

Main Achievements

- Continued negotiation through the pandemic and the continued provision of tailored home learning and family support during lockdown;
- Student numbers remained strong at 53 secured placements;
- New member of senior leadership team with responsibility for assessment established in role offering vital support to co-Headteachers;
- Reintroduction of SOLAR assessment tool to offer a more comprehensive and bespoke method of tracking student progress;
- A review of our curriculum led to the introduction of the ASDAN certification scheme that better suits the individual development pathways of our students and offers accreditation opportunities to all learners;
- Introduction of drama therapy, supporting students experiencing emotional and mental health challenges;
- Installation of new interactive whiteboards across the school has improved student engagement, staff productivity and offers a wider range of online learning opportunities to students;
- We were delighted to be able to proceed with annual residential camps for 4 out of 5 classes - this life-skills focused trip is a valuable experience for our students;
- Moved to DBS update subscription service to further enhance safeguarding.

Criteria used to measure success

- The school has been able to maintain strong student numbers (at capacity), as well as continuing to attract high numbers of referrals and applications for places from prospective students. This reflects positively on the quality of teaching, therapy and support provided, which is helping students progress and strive to reach their full potential;
- Aside from strong initial results from applying the SOLAR assessment tool, we are encouraged by the ability of student leavers to find good post-16 provision in other schools;
- Despite some staff turnover through the challenging Covid-19 pandemic period (in particular foreign staff returning home), we generally have been able to maintain a core stable and contented staff base (reflected in survey results) and are encouraged by our ability to attract quality new staff, especially in-demand therapists, which is testament to the school's welcoming atmosphere and opportunity for staff advancement (e.g. creation of assistant head and middle management roles);
- We also place great importance on periodic OFSTED inspections, which provide an invaluable independent assessment of the school's progress;
- The charity retains a significant surplus of unrestricted funds, which provides reserves to cover unforeseen losses or required expenditures, as well as allowing the school to run budgeted short-term deficits in more volatile periods (e.g. when inflation rising rapidly and costs (wages) increasing quicker than we are able to increase fees from local authorities).

Plans for the future

In the short- to medium-term the school's leaders are focused on further improvements to the curriculum and further developing our student assessment framework to provide more timely and useful feedback to students and their parents. We continue to update and improve our ICT provision across all parts of the school (for both teaching and support functions) and recruit additional staff and improve career advancement. We are promoting one of our key teachers to an assistant head role, as well as continuing to train and advance our three current "middle managers".

In the long-term, we continue to explore the potential to expand the school, both in potentially providing a sixth class within our current pre-16 provision and potentially the creation of a post-16 provision. This would require additional space (both internally and externally), so we are exploring the potential to develop our footprint within our current setting as part of the Hammersmith & Fulham College campus, but also to assess the potential to move to a larger site elsewhere. This analysis is at an early stage and will require close cooperation and dialogue with local authorities, staff and parents.

Financial Review

Review of financial position

The charity reported a small surplus of £23,023 for the current year. This compares with an exceptional surplus of £300,539 as reported for the previous year where it was noted the primary reason for the surplus was the impact of COVID.

While lower on a year-on-year basis, it is important to note that it is still a healthy total on a historical basis and that the previous year's total was particularly distorted by the Covid crisis (much reduced operating costs as the school was closed for a large part of that year).

The overall operating surplus (of £23,023) bolstered net assets of the charity to £1,589,621 (from £1,566,598 at 31 August 2021), which is split between unrestricted reserves of £1,465,923 (2021: £1,405,470) and restricted reserves of £123,698 (2021: £161,128).

The total of unrestricted reserves are held in our bank current account and in our account on the CAF Flagstone platform. This allows us to allocate these savings across a wide number of individual bank savings accounts in a much more efficient manner.

On the face of it, unrestricted reserves are now well in excess of the minimum reserves policy set by Trustee Governors (see below), although we are carving out a proportion into new "delegated" reserves, specifically for large potential capital expenditure on premises in the medium- to long-term and on ICT. Even so, remaining unrestricted reserves will remain above our minimum and provide a solid buffer against any unforeseen expenditure requirements. Also, these liquid assets are more than sufficient to cover the charity's current liabilities (£305,161).

Restricted reserves fell in the year. Generally, we look to spend specific grants within the financial year.

Another way of thinking about total **net** assets of £1,589,621 is to consider the charity's balance sheet, and specifically the difference between its total assets of £1,894,782, split between:-

- Tangible assets of £167,654 (incl. leasehold improvements of £111,921); plus
- Cash balances of £1,694,245 (retained annual net surpluses); plus
- Debtors – accounts receivable and accrued income of £6,217; plus
- Current assets of £26,666;

And its total liabilities of £305,161 (all due within one year):-

Income generation

During the year under review unrestricted income totalled £1,681,066 (2021: £1,813,383), representing a small decrease on the previous year (-7.3% YoY) but well above our budget for the year (+10.2%), with higher student fees (on higher student numbers than budgeted) and EFA DFC grant than was anticipated. Total income is mainly in the form of student fees from placing local authorities (£954,369, 2021: £1,116,987) and EFA student grants (£628,343, 2021: £614,076), with both dependent on student numbers.

Expenditure

The total cost of operation of the school amounted to £1,658,043, representing a significant +9.6% YoY increase on FY20-21 (£1,512,844), albeit just -0.2% below budget. As mentioned above, operating costs in the FY20-21 had been depressed by the full impact of the Covid crisis and as the economy opened up somewhat during the FY21-22, operating costs returned to a more normal/ expected level, including a phased return on our annual residential trip for most students. Staff costs continue to account for the bulk of overall costs (~75% in FY21-22), with the next largest cost items being premises costs (~7% of the total), and then a drop down to capital equipment (~3%), school lunches (~2%), professional fees (~2%) and staff courses (~1%), and then a further drop down to a host of smaller line items.

Historical 10 year view

£	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Net income	**59,054**	**32,667**	**56,979**	**129,028**	**101,640**	**121,755**	**239,741**	**403,810**	**300,539**	**23,023**
Fund balances	**180,439**	**213,106**	**270,085**	**399,113**	**500,752**	**622,508**	**862,249**	**1,226,059**	**1,566,598**	**1,589,621**
Restricted	0	62,839	26,634	81,837	97,569	99,283	133,823	166,289	174,984	124,461
Unrestricted	180,439	150,267	243,451	317,276	403,183	523,225	728,426	1,099,770	1,391,614	1,465,160
Av # students	46	48	42	48	45	47	56	51	55	53
Av # staff	28	35	32	31	31	33	36	35	39	45

Reserves policy

The school needs unrestricted reserves to:

(1) Meet any contractual liabilities should the school be required to close;
(2) Meet any unexpected costs such as premises moves, breakdown of machinery or staff cover;
(3) Replace equipment as it wears out; and
(4) Ensure the school can maintain a high quality of service.

The charity aims to maintain total unrestricted reserves at a level equivalent to at least eight months' operating costs (equivalent to two school terms) based on current annual expenditure whilst also considering the possible need for redundancy costs and to meet service level agreements (most have 3-6 month notice periods) and lease agreements in the event that the school were ever to cease trading. Also, importantly, it provides a reasonable period of time for staff to apply for alternative employment and for students to be placed in an alternative provision. It assumes that student funding ceases over the period, which might not be the case.

The Trustee Governors regularly review the level of unrestricted reserves, and as of 31st August 2022 have determined that based upon expected 2021-22 budgeted levels of expenditure, the amount of unrestricted reserves required is £725,000. Current unrestricted reserves are £1,465,923 and so comfortably exceed this minimum requirement.

As outlined above, the school is creating "delegated reserves" to cover potential investments in premises and to cover the budgeted investments in ICT over a three year period. Over time the school may add to these delegated reserve categories to cover other large multi-year expenditure projects. Nevertheless, it is important to note that these reserves form part of the total unrestricted reserves of the school, not an addition to them.

Delegated reserves to cover potential investments in premises are expected to be equivalent to up to 40% of total unrestricted reserves at any one time (£586,370 based on the charity's unrestricted reserves as at end-August 2022), while, based on the latest 3Y budget, ICT investments are forecast to be equivalent to ~£120,000. It is important to note that these balances are fungible, especially in the unlikely event of the school having to close and its operations run down – part of these delegated reserves would be used to cover the minimum eight months' worth of expenditure.

Investment policy

The Trustee Governors have overall responsibility for the investment of the charity's cash balances, other unrestricted reserves and any unspent restricted reserves. In turn, this responsibility is delegated to its Finance, Leadership & Management (FLM) sub-committee to monitor on an on-going basis. This sub-committee reports to the Board of Trustee Governors on a periodic basis, including a summary of the various investments, their performance and risks.

The FLM sub-committee's primary investment objectives are:

(1) To ensure adequate cash balances are available in an approved bank account to cover day-to-day working capital requirements of the school's operations, without the account becoming overdrawn; and
(2) To protect the real long-term capital value of the unrestricted reserves, minimising risks and optimising returns, with due consideration taken of the flexibility and term of investments.

The committee analyses and monitors the various market risks associated with these investments on an on-going basis, with working cash balances and other unrestricted reserves distributed across potentially three main investment types, depending on the total balances at-hand:-

(1) Bank current/ business accounts;
(2) Savings accounts and other similar savings vehicles; and
(3) Investment funds.

Historically, given the limited unrestricted reserves available and the low risk appetite, the majority has been placed in (1) and (2) above. As/ when these unrestricted reserves grow in value more significantly above our projected minimum requirements (see Reserves policy above), the FLM sub-committee would expect to explore options within (3) above, albeit with a focus on capital preservation and risk diversification. At this time external professional advice would be sought as a key input to any decision.

Going concern

After making appropriate enquires, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In the first instance this is based on the number of students on roll (both current and projected, given strong on-going demand for places) and their associated fees covering current and projected expenses of running the school. Beyond this, the charity's sizeable surplus funds provide more than additional comfort that the charity could cover any potential short-term deficits to continue as a going concern with no interruption to its core teaching

provision. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting polices.

Principal funding

The principal funding is from local authorities, with top-up school fees in some instances from parents, plus grants from the central Education and Skills Funding Agency (ESFA).

The statement of Financial activities for the year is set out on page 22 of the financial statements. A summary of the financial results and the work by the charity is set out below.

How principal sources of funding support the key objectives of the charity

- Fees from local authorities along with fees charged to parents facilitate the day-to-day running of the school, providing resources to cover staff salaries, teaching resources (incl. books, stationery supplies, computers) and other operating overheads.
- Grants received from the ESFA provide a top-up to fees received from placing local authorities and help subsidise student fees and enable disadvantaged students with parents who would not otherwise be able to afford the school's fees to benefit from the high-quality education provided.
- The Devolved Formula Capital grant enables the purchase of classroom and IT equipment to further learning.
- The Capital Maintenance grant ensures premises are fit for purpose and remain in good repair, and enable improvements for the benefit of the pupils, such as the construction of the all-weather playing surface.
- The Sports and PE grant facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.
- The Teachers' Pay and Teachers' Pension grants provide additional resources to build teachers' overall compensation.

Material Investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustee Governors see fit. The Trustee Governors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Review

Risk management

The Trustee Governors are ultimately responsible for the management of the risks faced by the school. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence (based on an in-house scoring model), and identifying means of mitigating risks. A record of these is kept in a risk register, which is formally reviewed at each main Board of Trustee Governor meeting, and by the three separate sub-committees of the main Board on a periodic basis. In addition, a comprehensive list of school policies is regularly reviewed and updated for best practice, including input from an independent, third party HR firm.

As of the balance sheet date, the key risks identified by the Trustee Governors can be split across three main categories as follows:

(1) **Strategic and reputational risks**, including, but not limited to:-
   (a) A major safeguarding or health and safety incident;
   (b) Worsening of the Covid-19 outbreak or a new pandemic;
   (c) Competition risk arising from new or re-purposed schools in the area;
   (d) Loss of Chair of Trustee Governors and inability to promote or recruit a replacement;
   (e) A breach of staff code of conduct; and
   (f) A poor Ofsted inspection;

(2) **Operational risks**, including, but not limited to:-
   (a) A permanent loss of premises;
   (b) A temporary loss of premises due to fire, flood or other emergency;
   (c) Failure of WLC to proceed with plans for new build/PH not included in any development plans.
   (d) IT capability risk – out-dated/ unsupported systems causing loss of data and/or operational issue;
   (e) Breach of GDPR or e-security; and
   (f) Staffing issues, e.g. loss of multiple staff at one time and/or significant employment law issues;

(3) **Financial risks**, including, but not limited to:-
   (a) Financial fraud;
   (b) Loss of student numbers making the school's financial model unviable;
   (c) Reserves risk – lack of sufficient funds in reserves to allow school to carry on operations for a limited time under stress; and
   (d) Investment policy risk – capital loss by inappropriate investments of the charity's reserves.
   (e) Loss of key financial personnel.

Mitigating actions are regularly reviewed, assessed for appropriateness and updated where necessary, and with the proviso that some are a work-in-progress given the scale involved. Key strategies implemented to help mitigate some of these risks include, but are not limited to:-

   (i) Maintenance of a comprehensive set of reference policy documents;
   (ii) Continuous offering of staff and Trustee Governor training across all risk categories, as well as regular skills-gap audits;
   (iii) Access to independent, third-party specialist advice, e.g. in HR, IT, data protection (and cyber risk evaluation), insurance and property management;
   (iv) Continuing development of senior management of the school and succession planning, where relevant, and including a review of recruitment and staff retention;
   (v) Maintenance of a strong working relationship with the school's current property landlord (Hammersmith & West London College);
   (vi) Creation of a business continuity plan, including search for alternative settings required in an emergency;
   (vii) Development of a coherent and realistic fundraising strategy to help broaden the charity's resources and expand the school's offering;
   (viii) A regular review of reserves and investment policies, with strict oversight and schemes of delegation, and ultimate approval/ ratification by the main Board of Trustee Governors;
   (ix) Consistent control and forecasting of student numbers, frequent review of management accounts and budgets by an appointed school finance officer; and
   (x) Monitor and evaluate student achievement on a termly basis, provide regular training to staff and create a staff culture where peer observation, feedback and discussion about learning are commonplace.

Through the risk management process outlined above, the Trustee Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised the systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

The Trustee Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are broadly satisfied that systems and procedures are in place to mitigate our exposure to these major risks. Nevertheless, the Trustee Governors are acutely aware of the need to continually review and, where necessary, evolve these risk mitigants to enhance overall risk management. This includes working closely with the school's senior leadership team, which takes ownership of many of these mitigating actions on a day-to-day basis, as well as helping it to shape and attain key strategies on its School Improvement Plan and to draw up a longer-term vision for the school.

Structure, governance and management

Constitution

The company is a charitable company limited by guarantee and was set up by constitution in 2001. It is constituted under a Memorandum and Articles of Association dated 2001 (updated 2018) and is a registered charity (charity number 1090757). The principal objective of the company is to provide education to children. During the year 2021-22 the school averaged 53 pupils and 45 staff.

Governance structure

Trustee Governor Membership & Committees

	Appointed	Trustee Governor Type	Main Board	Committees*		
				FLM	PDBW	TLA
Trustee Governors						
Daniela Schwartz (Chair)	Jul-14	Community	■		X	
Hala Ensari (Vice-Chair)	Nov-18	Parent	■		■	
Johnnie Wraith (Resigned 11th January 2023)	Dec-14	Parent	■	■		
Beatriz Exposito	Nov-19	Staff	■			■
Michael Gallagher	Sep-19	Community	■			■
Steve Hussey	Jun-17	Parent	■	X		
Jakub Koper	Dec-21	Staff	■		■	■
Georgina Klein	Dec-21	Community	■			■
Thomas Cowley	Dec-21	Community	■	■		
Associate members						
Nick Herrtage (Real Estate Advisor)	-	External		Eo		
Wendy Coombes (Advisor)	-	External				Eo
Verity Carnevale (co-Head)	-	Staff		Eo	Eo	
Holly Bristow (co-Head)	-	Staff		Eo		Eo
Claire Huntington		Staff				Eo
Phoebe Buret	-	Staff			Eo	
Steve Williams (Finance Officer)	-	Staff		IoA		
Lorraine Morgan (Business Manager)		Staff		IoA		
Number of meetings			4	6	3	4

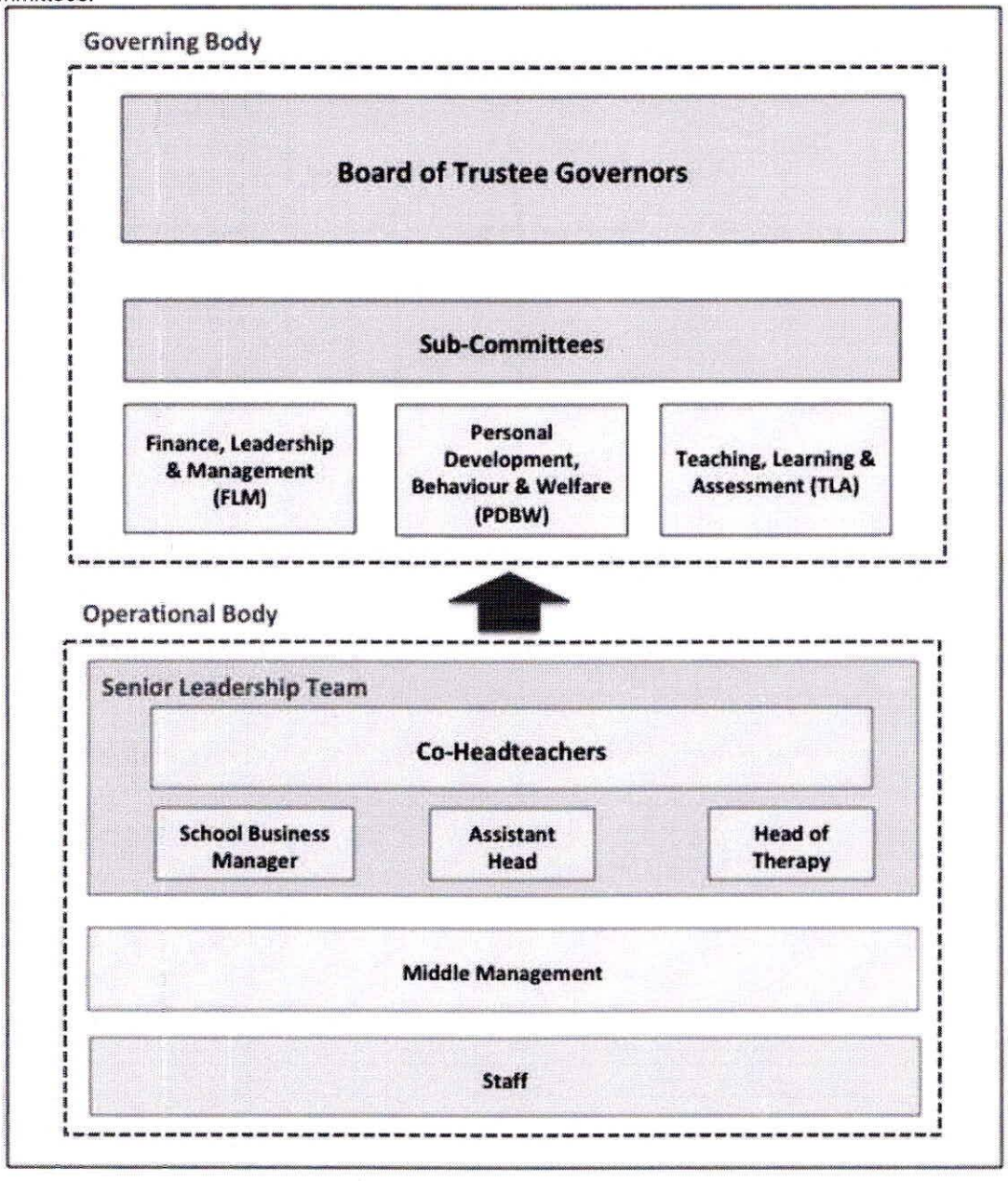
X Chair/ ■ Member/ Eo Ex-officio/ IoA Invited to attend

*FLM=Finance, Leadership & Management/ PDBW=Personal Development, Behaviour & Welfare/ TLA=Teaching, Learning & Assessment. [N.B. The previous separate Finance and the Leadership & Management committees were combined to form the FLM committee in January 2019.]

Management structure

The Board of Trustee Governors administers the charity. The Trustee Governors of the charity are legally responsible for the overall management and control of the school. The main Board of Trustee Governors is convened four times a year, with separate sub-committees held more often across the year.

The work of implementing their policies is carried out by the Co-Headteachers and their staff. The Co-Headteachers attend all the regular meetings of the Board of Trustee Governors (ex-officio) and its sub-committees.



Method of appointment or election of Trustee Governors

The management of the company is the responsibility of the Trustee Governors who are elected and co-opted under the terms of the Articles of Association.

None of the Trustee Governors has any beneficial interest in the company. All of the Trustee Governors are members of the company and guarantee to contribute £10 in the event of a winding up.

Polices adopted for the induction and training of Trustee Governors

New Trustee Governors are included into the workings of the charity and the school, including Board policy and procedures, by attending a meeting as an observer and interviewing with the Co-Headteachers and separately the Chair of Trustee Governors. Training is provided for existing members to ensure that they remain fully conversant with relevant current legislation, policy and procedures. Governing documentation states that the time limit for serving on the Board of Trustee Governors is 4 years (although can be re-elected to serve a second term).

Remuneration Policy

Posts for staff are advertised in the relevant arena. Pay is based on set pay-scales, where they exist, and the experience of the candidate. Similar posts are scrutinised to ensure fair and relevant salary levels.

Group structure

The charity does not have any non-charitable subsidiary, and is not engaged in any form of trading.

Funds held as custodian

No funds are held as custodian.

Significant events after the year-end

None

SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

The Trustees report was approved by the Board of Trustee Governors.

D. Schwartz

Ms D Schwartz
Trustee Governor
Dated: 26th May 2023

S.Hussey

Mr S Hussey
Trustee Governor
Dated: 26th May 2023

STATEMENT OF TRUSTEE GOVERNORS' REPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustee Governors (who are also the directors of Parayhouse School for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those 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;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for 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 the legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Environmental, Social and Governance (ESG)

As the charity behind Parayhouse School we are acutely aware of the importance of applying environmental, social and governance (ESG) standards to the running of our school with the aim to make a tangible difference to our students, to our wider community, and to society as a whole.

We are determined to minimise any negative environmental impact of our operations, continue to be a diverse and inclusive employer, strengthen relationships with local communities and suppliers, and to operate with strong corporate governance and behaviour. Furthermore, we want to inspire our colleagues and students to have meaningful conversations around environmental and social challenges and how to successfully address those as part of our curriculum and through extra-curricular activities.

The 'E' in ESG: Environmental considerations

We are somewhat beholden to our college landlord in terms of our carbon footprint as it supplies our various forms of energy, but we can control how efficiently we use that energy (for example, making sure windows are closed in winter, lights and other electrical equipment are switched off when not in use).

Hence we have started raising awareness amongst our colleagues and students about energy efficiency while using the school buildings. Equally, we are committed to reduce waste where possible and champion recycling.

Over the next year, we will look to work more closely with the college to minimise carbon emissions where possible and to jointly agree on an environmental action plan.

The 'S' in ESG: Social considerations

As a school catering for young people with speech, language and communication difficulties and other special needs, we offer a hugely relevant social provision to the wider London community, giving access to education for this dis-advantaged cohort of students.

Safeguarding our students is paramount to our school. This extends to data safeguarding and related cyber risks, and to maintaining an extensive set of policies to set internal Safeguarding standards.

Furthermore, we are committed to be an inclusive school and practice diversity in our admissions policy as well as prioritise diversity and inclusion within our staff base while providing colleagues with a safe, supportive and friendly environment to work in – which is reflected in our Code of Conduct. We follow fair pay - with salaries benchmarked to inner London levels - and aim to offer as many additional staff incentives as possible.

We aspire to work closely with our parent and carer community and our local community, and we continue to establish relationships with other schools and with local companies, aiming to focus on local suppliers where possible.

We are currently reviewing all suppliers with a view to estimate their environmental impacts, expecting all suppliers to comply with applicable laws and regulations in place. Similarly, we expect our suppliers to abide to all applicable laws and regulations with regards to modern slavery, human trafficking or forced labour.

The 'G' in ESG: Governance

The Structure, governance and management section in the Trustees report sets out details on the charity's governance and school's management structures.

ESG reporting

Going forward, we want to reflect our commitment to building a sustainable business by adapting the way we report about our charity's work. Therefore, starting with our Trustee Report 2022/23, we will be aligning our performance with the UN Sustainable Development Goals (SDGs).

Opinion
We have audited the financial statements of Parayhouse School for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, 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 charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the 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 charity 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 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 Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the 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 take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees' responsibilities statement set out on page 17, 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 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 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

- Reviewing minutes of all Trustee Governor meetings during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Haralambos Hambi (Senior Statutory Auditor)
for and on behalf of Alpha Accountants (London) Limited, Statutory Auditor

585a Fulham Road
Fulham
London
SW6 5UA

Date: 26/05/2023

PARAYHOUSE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME FROM:					
Donations, legacies and grants	4	525,982	103,211	629,193	614,742
Charitable activities	5	954,369	-	954,369	1,116,987
Investments	6	5,492	-	5,492	1,711
Other income	7	92,012	-	92,012	79,943
Total income		1,577,855	103,211	1,681,066	1,813,383
EXPENDITURE ON:					
Charitable activities	8	1,518,165	139,878	1,658,043	1,512,844
Total expenditure		1,518,165	139,878	1,658,043	1,512,844
NET INCOME		59,690	(36,667)	23,023	300,539
Transfers between funds		763	(763)	-	-
NET MOVEMENT IN FUNDS		59,687	(36,667)	23,023	300,539
RECONCILIATION OF FUNDS					
Fund balances brought forward At 1 September 2021		1,405,470	161,128	1,566,598	1,266,059
Fund balance carried forward At 31 August 2022		1,465,923	123,698	1,589,621	1,566,598

The notes on pages 25 to 36 form part of these financial statements.

PARAYHOUSE SCHOOL

BALANCE SHEET

AT 31 AUGUST 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	167,654	144,377
CURRENT ASSETS			
Debtors	14	32,883	31,588
Cash at bank and in hand		1,694,245	1,559,170
		1,727,128	1,590,758
CREDITORS			
Amounts falling due within one year	15	(305,161)	(168,537)
NET CURRENT ASSETS		1,421,967	1,422,221
CREDITORS			
Amounts falling due in more than one year		-	-
NET ASSETS		1,589,621	1,566,598
THE FUNDS OF THE CHARITY			
Restricted funds	17	123,698	161,128
Unrestricted funds		1,465,923	1,405,470
TOTAL CHARITY FUNDS		1,589,621	1,566,598

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31st August 2022, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and applications of resources including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The financial statements on pages 22 to 36 were approved by the trustees and authorised for issued and are signed on their behalf by:

D.Schwartz

Ms D Schwartz
Trustee Governor
Dated: 5th May 2023

S.Hussey

Mr S Hussey
Trustee Governor
Dated: 5th May 2023

PARAYHOUSE SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	23,019	300,539
Adjustments for		
Depreciation	57,437	46,452
Investment income	(5,489)	(1,711)
Decrease in stocks	-	2,473
Increase/decrease in debtors	(1,295)	(2,614)
Increase/decrease in creditors	136,624	116,727
Net cash used in operating activities	210,296	461,866
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	5,489	1,711
Purchase of tangible assets	(81,385)	(60,491)
Sale of tangible fixed assets	675	-
Net cash (used in)/provided by investing activities	(75,221)	(58,780)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	135,075	403,086
Cash and cash equivalents at the beginning of the reporting period	1,559,170	1,156,084
Cash and cash equivalents at the end of the reporting period	1,694,245	1,559,170

1. GENERAL INFOMRATION

The charity (number 1090757) is limited by guarantee, incorporated in England & Wales (number 04270330), and consequently does not have share capital. Each of the Trustee Governors is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hammersmith and Fulham College
Gliddon Road
London
W14 9BL

2. ACCOUNTING POLICIES

Accounting convention
The accounts have been prepared in accordance with the charity's governing document. the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling. which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to Include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustee Governors continue to adopt the going concern basis of accounting in preparing the accounts.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance or their charitable objectives unless the fund have been designated for other purposes.

Restricted funds are subject to specific; conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Income
Income is recognised when the charity is legally entitled to it after any performance conditions have been met. The amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2. ACCOUNTING POLICIES (Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. net of discounts, VAT and other sales related taxes.

Expenditure
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All pension costs and associated liabilities are allocated to unrestricted funds.

Tangible fixed assets
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Leasehold improvements	10% straight line
Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	20% straight line

Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks. other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. ACCOUNTING POLICIES (Continued)

Financial instruments
The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's ·balance sheet when the charity becomes party to the contractual provisions of the instrument. ··

Financial assets and liabilities are offset with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets and liabilities
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where tile transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets Classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost. using the effective interest rate method

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities. if payment is due within one year or less. If not, they are presented as non-current liabilities trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. ·

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(Expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability. ·

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the Trustee Governors 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 period.

4. DONATIONS, LEGACIES & GRANTS

	Total 2022 £	Total 2021 £
Donations and legacies	850	666
Grants, including capital & government grants	628,343	614,076
	629,193	614,742

During the year, government grant funding totalled £628,342 (2021: £614,076), including Non-maintained Special Schools funding from the Education & Skills Funding Agency, pupil premium, COVID-19 catch up funding, capital project funding, and assistance towards teachers pay and pension costs.

5. INCOME FROM CHARITABLE ACTIVITIES

	Total 2022 £	Total 2021 £
School fees receivable	954,369	1,116,987
	954,369	1,116,987

6. INVESTMENTS

	Total 2022 £	Total 2021 £
Interest receivable and similar income	5,489	1,711
	5,489	1,711

7. OTHER INCOME

	Total 2022 £	Total 2021 £
Other income	69,937	71,028
Lunch money	22,075	6,949
Excursion money	-	1,580
Uniform income	-	386
	92,012	79,943

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2022 £	Total 2021 £
Staff costs	866,502	946,493
Depreciation	40,861	23,015
Courses	23,946	42,850
Education materials	10,098	5,818
Sport costs	305	5,503
Functions and outgoing	903	439
Support costs (see note 9)	715,428	488,726
	1,658,043	1,512,844

9. SUPPORT COSTS

	Total 2022 £	Total 2021 £
Staff costs	214,873	68,154
Depreciation	16,576	23,437
School lunches	36,537	16,712
School uniform costs	-	2,496
Insurance	15,986	14,277
Caretaking costs	1,742	5,659
Hire of equipment	15,364	6,536
Motor costs	5,449	1,850
Rent and rates	113,410	78,339
Governance costs (see note 10)	190,770	157,111
Other expenditure	104,721	114,155
	715,428	488,726

10. GOVERNANCE COSTS

	Total 2022 £	Total 2021 £
Staff costs	162,693	137,076
Auditors remuneration		
Statutory audit	9,600	13,800
Non-audit services	3,600	1,800
Accountancy fees	14,877	4,435
	190,770	157,111

11. RELATED PARTY TRANSACTIONS

No Trustee Governors, nor any persons connected with them, have received any remuneration from the charity during the year. Additionally, no Trustee Governors have received any reimbursed expenses or any other benefits from the charity during the year.

There were no transactions or balances with related parties during the year requiring disclosure (2021: none).

12. STAFF COSTS

	2022 £	2021 £
Staff costs for the above persons:		
Wages and salaries	1,112,112	1,028,188
Social security costs	95,546	90,447
Other pension costs	36,410	33,088
	1,244,068	1,151,723

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was as follows:

Average employees in the year	45	39

The number of employees whose emoluments fell within the following bands was:

£60,001-£70,000	2	2

The total remuneration of the key management personnel of the charity were £239,151 (2021 - £232,495).

13. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost:				
1 September 2021	158,144	199,812	30,172	388,128
Additions	55,883	25,503	-	81,386
Disposals	-	(11,301)	-	(11,301)
31 August 2022	214,027	214,014	30,172	458,213
Depreciation:				
1 September 2021	75,115	138,463	30,172	243,750
Charge for year	26,991	30,446	-	57,437
Eliminated on disposal	-	(10,629)	-	(10,629)
31 August 2022	102,106	158,280	30,172	290,558
Net book value:				
31 August 2022	111,921	55,734	-	167,655
31 August 2021	83,028	61,349	-	144,377

14. DEBTORS

	2022 £	2021 £
Trade debtors	-	13,143
Prepayments	25,577	14,403
Accrued income	6,217	-
Other debtors	1,089	4,042
	32,882	31,588

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Loans and borrowings	527	-
Trade creditors	25,940	9,401
Hire purchase and finance leases (see note 16)	-	2,044
Taxation and social security	33,049	30,671
Accruals and deferred income	30,011	19,095
Other creditors	215,634	107,324
	305,161	168,537

16. OBLIGATIONS UNDER FINANCE LEASES

	2022 £	2021 £
Within one year	-	2,044
In two to five years	-	-
	-	2,044
Less finance charges allocated to future periods	-	-
	-	2,044

17. RESTRICTED FUNDS

	1 September 2021	Income	Expenditure	Transfers Between Funds	31 August 2022
	£	£	£	£	£
Restricted funds					
Breakfast Club	763	-	-	(763)	-
School Condition Allocation (previously Capital maintenance)	122,621	7,917	(68,706)	-	61,832
Devolved Formula Capital	20,252	2,806	(6,076)	-	16,982
PE & Sports	17,492	8,000	(6,058)	-	19,434
Pupil Premium	-	24,547	(18,384)	-	6,163
Recovery Premium	-	7,250	-	-	7,250
Teacher pay	-	11,033	(11,033)	-	-
Teacher pension	-	30,576	(18,539)	-	12,037
School Led Tutoring	-	10,046	(10,046)	-	-
COVID-19 Vaccination	-	1,036	(1,036)	-	-
	161,128	103,211	(139,878)	(763)	123,698

	1 September 2020	Income	Expenditure	Transfers Between Funds	31 August 2021
	£	£	£	£	£
Restricted funds					
Breakfast Club	763	-	-	-	763
School Condition Allocation (previously Capital maintenance)	115,312	19,070	(11,761)	-	122,621
Devolved Formula Capital	16,290	6,582	(2,620)	-	20,252
PE & Sports	33,924	-	(16,432)	-	17,492
	166,289	25,652	(30,813)	-	161,128

Breakfast club
Kellogg's Breakfast Ltd provided grants to schools to help fund Breakfast Clubs for pupils who were primarily entitled to Free School Meals/Pupil Premium. There is a clear link between students who have eaten breakfast and attendance/attainment.

School Condition Allocation (previously known as Capital maintenance)
Ensures premises are fit for purpose and remain in good repair and enable improvements for the benefit of the pupils.

Devolved Formula Capital
The Devolved Formula Capital grant enables works to update infrastructure, the purchase of classroom and IT equipment to further learning.

PE & Sports
The Sports and PE grant is a DfE grant that facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.

Pupil Premium

The Pupil Premium grant is funding to improve education outcomes for disadvantaged pupils in schools in England. Evidence shows that disadvantaged children generally face additional challenges in reaching their potential at school and often do not perform as well as other pupils.

Recovery Premium

The Recovery Premium grant is part of the governments package of funding to support pupils whose education has been impacted by COVID-19. It is focused on Pupil Premium eligible pupils in specialist settings such as special schools, special units and pupil referral units. This is because of the pandemic on these students.

Teachers pay
The teachers' pay grant is a DfE grant that provides funding for schools to support the annual teachers' pay awards.

Teachers pension
The teachers' pension employer contribution grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

School Led Tutoring

The School Led tutoring grant is to support disadvantaged pupils in catch-up learning and schools will select the pupils in need of support. This will focus on providing tuition to pupils eligible for Pupil Premium but also includes pupils with other types of disadvantage or additional needs.

COVID-19 Vaccination

The Government provided schools with a one-off payment to support schools in hosting vaccinations and ensuring that the COVID-19 vaccine is accessible to pupils.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted Funds £	TOTAL 2022 £
Tangible fixed assets	25,732	141,922	167,654
Current assets	1,723,806	3,322	1,727,128
Current liabilities	(282,790)	(22,371)	(305,161)
	1,466,748	122,873	1,589,621

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds £	Restricted Funds £	TOTAL 2021 £
Tangible fixed assets	18,132	126,245	144,377
Current assets	1,542,019	48,739	1,590,758
Current liabilities	(168,537)	-	(168,537)
	1,391,614	174,984	1,566,598

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
INCOME FROM:			
Donations, legacies and grants	589,090	25,652	614,742
Charitable activities	1,116,987	-	1,116,987
Investments	1,711	-	1,711
Other income	79,943	-	79,943
Total income	1,787,731	25,652	1,813,383
EXPENDITURE ON:			
Charitable activities	1,482,031	30,813	1,512,844
Total expenditure	1,482,031	30,813	1,512,844
NET INCOME	305,700	(5,161)	300,539
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	305,700	(5,161)	300,539
RECONCILIATION OF FUNDS			
Fund balances brought forward	1,099,770	166,289	1,266,059
Fund balance carried forward	1,405,470	161,128	1,566,598

Signature: Daniela Schwartz (May 26, 2023 10:23 GMT+1)

Email: d.schwartz@parayhouse.com

Signature: Steve Hussey
Steve Hussey (May 26, 2023 11:12 GMT+1)

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PARAYHOUSE SCHOOL

England & Wales - Charity number 1090757

Accounts

Company registered number: 04270330
Charity registered number: 1090757

PARAYHOUSE SCHOOL

(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2021

PARAYHOUSE SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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PARAYHOUSE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2021

Chair of Trustee Governors	Mr J Wraith
Vice Chair of Trustee Governors	Ms D Schwartz
Board of Trustee Governors: A full list is provided on page 14 of this report	
Co-Headteachers	Ms H Bristow Ms V Carnevale
Charity number	1090757
Company number	04270330
Registered office	Hammersmith & Fulham College Gliddon Road London W14 9BL
Auditor	Haysmacintyre LLP 10 Queen Street Place London WC1A 8AG
Bankers	HSBC Bank UK plc 315 Fulham Road Chelsea London SE10 9QJ
Solicitors	Veale Wasbrough Vizards 86 Fetter Lane London EC4A 1AD

PARAYHOUSE SCHOOL

INTRODUCTORY OVERVIEW

FOR THE YEAR ENDED 31 AUGUST 2021

Parayhouse School is a non-maintained special school for students with significant speech, language and communication needs, moderate/severe learning difficulties and associated social, emotional, behavioural and medical difficulties. The school caters for students from 7-16 years of age.

Parayhouse School is committed to ensuring that each and every student reaches his or her full potential. The school delivers its mission in three essential ways:

(1) It provides a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) It creates a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) It establishes close working relationships between parents, carers, students and staff to support learning and behaviour at home as well as at school.

The school is governed by a registered charity, which takes the school's name, and is run by a Board of Trustee Governors. Senior leadership of the school and its staff are ultimately accountable to this Board and work closely together to actively manage the risks the school faces and help to deliver the co-Headteachers' vision and development of the school.

PARAYHOUSE SCHOOL

CHAIR OF TRUSTEE GOVERNORS' STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021



"We place the education and prospects of our students front and centre in all that we do. We are fully committed to their wellbeing and that of every member of staff.

"The experiences of the past two years give us full confidence we can rise to any challenge, thanks to the resilience and commitment of all our stakeholders."
Johnnie Wraith

A year after writing an introductory statement that focused on Parayhouse School's admirable efforts to provide the best possible education to all its pupils through the travails of Covid-19, I find myself contemplating another twelve months that have been dominated by the pandemic. The senior leadership team and all members of staff have made extraordinary and successful efforts to ensure the school has remained open throughout the past twelve months and has continued to consistently provide the care and education that each of the pupils requires and deserves.

There were occasions when positive cases meant individual members of the school community, and occasionally whole class groups, had to spend time isolating at home, but the co-heads and senior staff somehow managed to keep the school open in the most demanding and challenging of circumstances. As the wider national debate about the importance of education has repeatedly asserted, we believe the provision of face-to-face learning to all children is of paramount importance, and as the pandemic hopefully starts to recede over the coming months, we believe each and every member of our school community should feel an immense and enduring pride that Parayhouse School could not have done more to ensure its students did not miss a single day of school outside of the Government-mandated closures earlier in the crisis.

This intensely committed attitude of the staff is interwoven in every other aspect of the school's operations, and on behalf of all the Trustee Governors I would like to express our heartfelt thanks to all those who work so hard and diligently to provide the absolute best environment possible for our wonderful students. We are very fortunate to work with such a fine team of teachers, learning assistants, therapists and other staff.

The school continues to be in a healthy financial situation, and its Board of Trustee Governors remains fully committed to overseeing and protecting both the financial health of the school and every aspect of its mandated responsibilities. It is with confidence that, on behalf of the Board, I can restate this year that Parayhouse School remains well equipped to maximise the students' educational experience, to ensure the wellbeing of students and staff alike, and to cope with whatever challenges may lie ahead. We approach the future with optimism and a determination to work constantly to make our school the very best educational establishment it has the potential to be.

Johnnie Wraith
Chair of Trustee Governors

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2021





Holly Bristow **Verity Carnevale**

The year started with optimism that the worst of COVID restrictions were behind us. However, unfortunately, following the Christmas break we found the country back in lock down. Despite this set back, the school was much better prepared to overcome this unexpected hurdle and manage the various implications.

During this time we reverted to a part time provision with the students split into two groups and were able to provide a much more robust home learning provision.

Following the challenges COVID posed in the previous academic year, the school made significant improvements to its ICT resources and functionality, including the purchase of additional devices and the introduction of G Suites. This allowed us to more efficiently communicate with families, set and review work, hold secure virtual lessons and ensure that all students were able to access the provision.

Following the return to full time schooling in March, the rest of the academic year continued to be affected by high COVID cases. In spite of this we are very proud of the resilience of our staff, who supported the students with great commitment and care. Much focus was given to ensuring our students continued to access high quality learning whilst also being mindful of the emotional disruption of the continued pandemic and disruptions to their schooling. We were especially inspired by the staff-led initiative to provide a “Helping Hands” fund to families-in-need over Christmas, which was funded by our employees.

We were joined in September by 13 new students and a number of new staff members, including a new senior leader, who also serves as the school’s Assessment and Accreditation Co-ordinator. She has been an incredible asset to the school working closely with teachers and other leaders to deliver a recovery curriculum for our students, but also to push forward curriculum improvements and the introduction of ASDAN awards. These developments will be key to improving outcomes for our students going forward and have in part been reinforced by staff and parents’ feedback around their priorities for our students’ development as a result of the pandemic experience.

On site we have also been able to make progress with key areas of our School Improvement Plan, including the introduction of modernised whiteboards, which we expect should positively impact student engagement and access to a wider range of resources supporting our use of LGFL and G Suites. We have now also completed works to the “Creative Hub”, which is already being used successfully for music, art, therapy and yoga. As hoped, staff and students are providing positive feedback about the space as a more enjoyable learning environment.

PARAYHOUSE SCHOOL

MESSAGE FROM THE CO-HEADTEACHERS

FOR THE YEAR ENDED 31 AUGUST 2021

In summary, we have felt that despite the on-going challenges COVID presents to us, as a school, we are now able to sustain a high quality of learning provision and safety and wellbeing during these hurdles with more confidence and consistency. We have exciting plans for the coming year and look forward to undertaking these with our continued commitment and passion to ensuring the best for our students.

Holly Bristow & Verity Carnevale
Co-Headteachers

Trustee Governors' Report

The Trustee Governors (who are also directors of the charity for the purposes of the Companies Act 2006) present their report and accounts for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Charitable Objects

The object for which the charity is established is to advance education by carrying on in Great Britain a school or schools for the public benefit at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description. The charity provides a specialist education for students with speech, language and communication needs, moderate and severe learning difficulties and behavioural, emotional & social difficulties.

Aims of the charity

The school's primary aim is to provide a first-class education by high quality tuition and by developing sporting, artistic and social/ life skills in all its students. The school intends to provide an environment where each student can develop and fulfil his or her potential, to help build self-confidence, independence and social awareness.

The school focuses its work on preparing students with special needs for the challenges they will meet when leaving school. The school recognises that it is the development of social, language and thinking skills that enable students to express themselves, to understand and to function optimally in the world.

We also believe in the power of collaborative practice. Together, we face challenges, celebrate achievement and aspire to do our very best.

We deliver our mission in three essential ways:

(1) We provide a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) We create a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) We establish close working relationships between parents, carers, students and staff to support learning and behaviour.

Strategies for achieving aims and objectives

(1) We continue to develop our current premises, which this year has included the build-out of a "Creative Hub" for art and music therapy in additional premises leased from the College. Our aim is to provide a safe, secure and nurturing learning environment for students and a welcoming and comfortable working environment for staff;
(2) We continue to develop our leadership structure, with a key focus on proving support to the co-Headteachers from Trustee Governors and an experienced external advisor, to ensure the efficient and effective management of the school. In addition, we are focused on developing leadership opportunities further down the school, to help manage succession planning and to offer staff a route to professional development, which includes the development of a "middle management" function;

(3) We continue to develop personalised learning and assessment as a key strategy to maximise the learning opportunities and growth of all students;
(4) We look to increase the impact of speech and language therapy across the school, with a view to achieving high standards in students' communication skills; and
(5) We aim to build upon the current high level of Trustee Governor and parent/ carer involvement, to ensure that the co-Headteachers and staff are effectively challenged, and that parents remain key to school development.

Compliance with Charity Commission guidance

The Trustee Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Staff involvement

One of the keys to the school's success is the aim to foster an engaged and highly motivated staff. By consulting staff, including more regular use of staff surveys, we endeavour to get feedback on a regular basis, not only in ways we can improve the learning experience for our students, but also to improve the well-being of staff. The senior leadership team aims to be pro-active in making sure staff are kept informed of the school's progress. We seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the school's performance.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other staff.

Grant making policies

The school does not currently have a grant making policy.

Use of volunteers

Over the past two years during the Covid crisis, volunteering at the school has been much reduced, given wider restrictions. This includes temporary work placements. Nevertheless, we will look to re-establish a number of historical volunteering positions/ roles within the school as/when Covid restrictions ease.

Fundraising

Historically, aside from a short, intensive fundraising project in early 2017 to fit out a sensory room, the school has not had an organised fundraising function. In general, we have been able to maintain strong unrestricted reserves that allow us to fund specific projects and activities as they arise, as well as using restricted grants to fund specific projects. Nevertheless, as we continue to review the adequacy of our premises and put in place a detailed 3yr ICT investment plan, we are set to ring-fence some of these unrestricted reserves for these "delegated" purposes and, as such, will look to re-establish a more coherent fundraising strategy. We will look to build on previous external advice from a number of experts and establish broad short- and long-term objectives. In the short-term these are likely to be focused on applying for various grants to match-fund specific projects and activities.

Achievements and performance

Main Achievements

- Continued negotiation through the pandemic and the continued provision of tailored home learning and family support during lockdown;
- Student numbers remained strong at 55 secured placements;
- New member of senior leadership team with responsibility for assessment established in role offering vital support to co-Headteachers;
- Reintroduction of SOLAR assessment tool to offer a more comprehensive and bespoke method of tracking student progress;
- A review of our curriculum led to the introduction of the ASDAN certification scheme that better suits the individual development pathways of our students and offers accreditation opportunities to all learners;
- Introduction of drama therapy, supporting students experiencing emotional and mental health challenges;
- Installation of new interactive whiteboards across the school has improved student engagement, staff productivity and offers a wider range of online learning opportunities to students;
- We were delighted to be able to proceed with annual residential camps for 4 out of 5 classes - this life-skills focused trip is a valuable experience for our students;
- Moved to DBS update subscription service to further enhance safeguarding.

Criteria used to measure success

- The school has been able to maintain strong student numbers (at capacity), as well as continuing to attract high numbers of referrals and applications for places from prospective students. This reflects positively on the quality of teaching, therapy and support provided, which is helping students progress and strive to reach their full potential;
- Aside from strong initial results from applying the SOLAR assessment tool, we are encouraged by the ability of student leavers to find good post-16 provision in other schools;
- Despite some staff turnover through the challenging Covid-19 pandemic period (in particular foreign staff returning home), we generally have been able to maintain a core stable and contented staff base (reflected in survey results) and are encouraged by our ability to attract quality new staff, especially in-demand therapists, which is testament to the school's welcoming atmosphere and opportunity for staff advancement (e.g. creation of assistant head and middle management roles);
- We also place great importance on periodic OFSTED inspections, which provide an invaluable independent assessment of the school's progress;
- The charity retains a significant surplus of unrestricted funds, which provides reserves to cover unforeseen losses or required expenditures, as well as allowing the school to run budgeted short-term deficits in more volatile periods (e.g. when inflation rising rapidly and costs (wages) increasing quicker than we are able to increase fees from local authorities).

Plans for the future

In the short- to medium-term the school's leaders are focused on further improvements to the curriculum and further developing our student assessment framework to provide more timely and useful feedback to students and their parents. We continue to update and improve our ICT provision across all parts of the school (for both teaching and support functions) and recruit additional staff and improve career advancement. We are promoting one of our key teachers to an assistant head role, as well as continuing to train and advance our three current "middle managers".

In the long-term, we continue to explore the potential to expand the school, both in potentially providing a sixth class within our current pre-16 provision and potentially the creation of a post-16 provision. This would require additional space (both internally and externally), so we are exploring the potential to develop our footprint within our current setting as part of the Hammersmith & Fulham College campus, but also to assess the potential to move to a larger site elsewhere. This analysis is at an early stage and will require close cooperation and dialogue with local authorities, staff and parents.

Financial Review

Review of financial position

The charity reported another strong year in terms of operating surplus (£300,539 vs. £403,810 in FY19-20), albeit bolstered by the receipt of an unexpected £128,547 DfE "maintenance grant" (within restricted funds). This grant was more than £100,000 greater than the usual such annual grant and, while we have been unable so far to ascertain the validity of the grant, we have no plans to spend that amount (we will maintain this "excess" as a liability on the balance sheet). As such, on a more comparable basis, excluding net restricted funds, the charity reported an annual surplus of £291,844 (£371,344 in FY19-20).

While lower on a year-on-year basis, it is important to note that it is still a healthy total on a historical basis and that the previous year's total was particularly distorted by the Covid crisis (much reduced operating costs as the school was closed for a large part of that year).

The overall operating surplus (of £300,539) bolstered net assets of the charity to £1,566,598 (from £1,266,059 at 31 August 2020), which is split between unrestricted reserves of £1,391,614 (2020: £1,099,770) and restricted reserves of £174,984 (2020: £166,289).

This total of unrestricted reserves is split across our bank current account and, the bulk, in a number of bank savings accounts. During the year we set up an account on the CAF Flagstone platform that allows us to allocate these savings across a wide number of individual bank savings accounts in a much more efficient manner. In the short-term, as existing external savings accounts mature, we will continue to move balances to this platform.

On the face of it, unrestricted reserves are now well in excess of the minimum reserves policy set by Trustee Governors (see below), although we are carving out a proportion into new "delegated" reserves, specifically for large potential capital expenditure on premises in the medium- to long-term and on ICT. Even so, remaining unrestricted reserves will remain above our minimum and provide a solid buffer against any unforeseen expenditure requirements. Also, these liquid assets are more than sufficient to cover the charity's current liabilities (£166,537).

As above, restricted reserves rose significantly in the year, although were largely flat year-on-year if we exclude the out-sized DfE maintenance grant. Generally, we look to spend specific grants within the financial year.

Another way of thinking about total **net** assets of £1,566,598 is to consider the charity's balance sheet, and specifically the difference between its total assets of £1,735,135, split between:-

- Tangible assets of £144,377 (incl. leasehold improvements of £130,338); plus
- Cash balances of £1,559,170 (retained annual net surpluses); plus
- Debtors – accounts receivable of £13,143; plus
- Current assets of £18,445;

And its total liabilities of £168,537 (all due within one year):-

Income generation

During the year under review unrestricted income totalled £1,813,383 (2020: £1,717,456), representing a small increase on the previous year (+5.6% YoY) and well above our budget for the year (+13.3%), with higher student fees (on higher student numbers than budgeted) and EFA DFC grant than was anticipated. Total income is mainly in the form of student fees from placing local authorities (£1,088,072, 2020: £972,335) and EFA student grants (£519,185, 2020: £649,559), with both dependent on student numbers.

Expenditure

The total cost of operation of the school amounted to £1,512,844, representing a significant +15.2% YoY increase on FY19-20 (£1,313,646), albeit just +1.7% above budget. As mentioned above, operating costs in the FY19-20 financial had been depressed by the full impact of the Covid crisis and as the economy opened up somewhat during the FY20-21, operating costs returned to a more normal/ expected level, including a phased return on our annual residential trip for most students. Staff costs continue to account for the large bulk of overall costs (~76% in FY20-21), with the next largest cost items being premises costs (~8% of the total), and then a drop down to capital equipment (~4%), professional fees (~2%) and staff courses (~2%), and then a further drop down to a host of smaller line items.

Historical 10 year view

£	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
Net income	**13,223**	**59,054**	**32,667**	**56,979**	**129,028**	**101,640**	**121,755**	**239,741**	**403,810**	**300,539**
Fund balances	**121,384**	**180,439**	**213,106**	**270,085**	**399,113**	**500,752**	**622,508**	**862,249**	**1,226,059**	**1,566,598**
Restricted	0	0	62,839	26,634	81,837	97,569	99,283	133,823	166,289	174,984
Unrestricted	121,384	180,439	150,267	243,451	317,276	403,183	523,225	728,426	1,099,770	1,391,614
Av # students	46	46	48	42	48	45	47	56	51	55
Av # staff	27	28	35	32	31	31	33	36	35	34

Reserves policy

The school needs unrestricted reserves to:

(1) Meet any contractual liabilities should the school be required to close;
(2) Meet any unexpected costs such as premises moves, breakdown of machinery or staff cover;
(3) Replace equipment as it wears out; and
(4) Ensure the school can maintain a high quality of service.

The charity aims to maintain total unrestricted reserves at a level equivalent to at least eight months' operating costs (equivalent to two school terms) based on current annual expenditure whilst also considering the possible need for redundancy costs and to meet service level agreements (most have 3-6 month notice periods) and lease agreements in the event that the school were ever to cease trading. Also, importantly, it provides a reasonable period of time for staff to apply for alternative employment and for students to be placed in an alternative provision. It assumes that student funding ceases over the period, which might not be the case.

The Trustee Governors regularly review the level of unrestricted reserves, and as of 31st August 2021 have determined that based upon expected 2021-22 budgeted levels of expenditure, the amount of unrestricted reserves required is £725,000. Current unrestricted reserves are £1,373,482 and so comfortably exceed this minimum requirement.

As outlined above, the school is creating "delegated reserves" to cover potential investments in premises and to cover the budgeted investments in ICT over a three year period. Over time the school may add to these delegated reserve categories to cover other large multi-year expenditure projects. Nevertheless, it is important to note that these reserves form part of the total unrestricted reserves of the school, not an addition to them.

Delegated reserves to cover potential investments in premises are expected to be equivalent to up to 40% of total unrestricted reserves at any one time (£560,000 based on the charity's unrestricted reserves as at end-August 2021), while, based on the latest 3Y budget, ICT investments are forecast to be equivalent to ~£120,000. It is important to note that these balances are fungible, especially in the unlikely event of the school having to close and its operations run down – part of these delegated reserves would be used to cover the minimum eight months' worth of expenditure.

Investment policy

The Trustee Governors have overall responsibility for the investment of the charity's cash balances, other unrestricted reserves and any unspent restricted reserves. In turn, this responsibility is delegated to its Finance, Leadership & Management (FLM) sub-committee to monitor on an on-going basis. This sub-committee reports to the Board of Trustee Governors on a periodic basis, including a summary of the various investments, their performance and risks.

The FLM sub-committee's primary investment objectives are:

(1) To ensure adequate cash balances are available in an approved bank account to cover day-to-day working capital requirements of the school's operations, without the account becoming overdrawn; and
(2) To protect the real long-term capital value of the unrestricted reserves, minimising risks and optimising returns, with due consideration taken of the flexibility and term of investments.

The committee analyses and monitors the various market risks associated with these investments on an on-going basis, with working cash balances and other unrestricted reserves distributed across potentially three main investment types, depending on the total balances at-hand:-

(1) Bank current/ business accounts;
(2) Savings accounts and other similar savings vehicles; and
(3) Investment funds.

Historically, given the limited unrestricted reserves available and the low risk appetite, the majority has been placed in (1) and (2) above. As/ when these unrestricted reserves grow in value more significantly above our projected minimum requirements (see Reserves policy above), the FLM sub-committee would expect to explore options within (3) above, albeit with a focus on capital preservation and risk diversification. At this time external professional advice would be sought as a key input to any decision.

Towards the end of the financial year, the FLM sub-committee analysed the potential to manage its separate bank savings deposits through a savings platform, Flagstone Investment Management, a company endorsed by CAF and used widely by charities. This FCA-regulated entity provides a one-stop shop in terms of setting up and managing cash balances, providing access to a wide range of bank accounts and significantly reducing the administrative burden of previously setting up individual bank and building society savings deposit accounts. Having carried out due diligence, including a meeting with the company to go through our IT and data protection concerns, and proposing that no individual account balance would exceed the FSCS £85,000 insured level, the proposal was ratified by the Board of Trustee Governors in the early part of the FY20-21, with a large part of the excess unrestricted reserves transferred and managed off this platform.

Going concern

After making appropriate enquires, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In the first instance this is based on the number of students on roll (both current and projected, given strong on-going demand for places) and their associated fees covering current and projected expenses of running the school. Beyond this, the charity's sizeable surplus funds provide more than additional comfort that the charity could cover any potential short-term deficits to continue as a going concern with no interruption to its core teaching

provision. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting polices.

Principal funding

The principal funding is from local authorities, with top-up school fees in some instances from parents, plus grants from the central Education and Skills Funding Agency (ESFA).

The statement of Financial activities for the year is set out on page 21 of the financial statements. A summary of the financial results and the work by the charity is set out below.

How principal sources of funding support the key objectives of the charity

- Fees from local authorities along with fees charged to parents facilitate the day-to-day running of the school, providing resources to cover staff salaries, teaching resources (incl. books, stationery supplies, computers) and other operating overheads.
- Grants received from the ESFA provide a top-up to fees received from placing local authorities and help subsidise student fees and enable disadvantaged students with parents who would not otherwise be able to afford the school's fees to benefit from the high-quality education provided.
- The Devolved Formula Capital grant enables the purchase of classroom and IT equipment to further learning.
- The Capital Maintenance grant ensures premises are fit for purpose and remain in good repair, and enable improvements for the benefit of the pupils, such as the construction of the all-weather playing surface.
- The Sports and PE grant facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.
- The Teachers' Pay and Teachers' Pension grants provide additional resources to build teachers' overall compensation.
- The Department of Education has set up a Covid-19 grant of £13,200, which was distributed to the school in the FY20-21.

Material Investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustee Governors see fit. The Trustee Governors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Review

Risk management

The Trustee Governors are ultimately responsible for the management of the risks faced by the school. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence (based on an in-house scoring model), and identifying means of mitigating risks. A record of these is kept in a risk register, which is formally reviewed at each main Board of Trustee Governor meeting, and by the three separate sub-committees of the main Board on a periodic basis. In addition, a comprehensive list of school policies is regularly reviewed and updated for best practice, including input from an independent, third party HR firm.

As of the balance sheet date, the key risks identified by the Trustee Governors can be split across three main categories as follows:

(1) **Strategic and reputational risks**, including, but not limited to:-
   (a) A major safeguarding or health and safety incident;
   (b) Worsening of the Covid-19 outbreak or a new pandemic;
   (c) Competition risk arising from new or re-purposed schools in the area;
   (d) Loss of Chair of Trustee Governors and inability to promote or recruit a replacement;
   (e) A breach of staff code of conduct; and
   (f) A poor Ofsted inspection;

(2) **Operational risks**, including, but not limited to:-
   (a) A permanent loss of premises;
   (b) A temporary loss of premises due to fire, flood or other emergency;
   (c) IT capability risk – out-dated/ unsupported systems causing loss of data and/or operational issue;
   (d) Breach of GDPR or e-security; and
   (e) Staffing issues, e.g. loss of multiple staff at one time and/or significant employment law issues;

(3) **Financial risks**, including, but not limited to:-
   (a) Financial fraud;
   (b) Loss of student numbers making the school's financial model unviable;
   (c) Reserves risk – lack of sufficient funds in reserves to allow school to carry on operations for a limited time under stress; and
   (d) Investment policy risk – capital loss by inappropriate investments of the charity's reserves.

Mitigating actions are regularly reviewed, assessed for appropriateness and updated where necessary, and with the proviso that some are a work-in-progress given the scale involved. Key strategies implemented to help mitigate some of these risks include, but are not limited to:-

   (i) Maintenance of a comprehensive set of reference policy documents;
   (ii) Continuous offering of staff and Trustee Governor training across all risk categories, as well as regular skills-gap audits;
   (iii) Access to independent, third-party specialist advice, e.g. in HR, IT, data protection (and cyber risk evaluation), insurance and property management;
   (iv) Continuing development of senior management of the school and succession planning, where relevant, and including a review of recruitment and staff retention;
   (v) Maintenance of a strong working relationship with the school's current property landlord (Hammersmith & West London College);
   (vi) Creation of a business continuity plan, including search for alternative settings required in an emergency;
   (vii) Development of a coherent and realistic fundraising strategy to help broaden the charity's resources and expand the school's offering;
   (viii) A regular review of reserves and investment policies, with strict oversight and schemes of delegation, and ultimate approval/ ratification by the main Board of Trustee Governors;
   (ix) Consistent control and forecasting of student numbers, frequent review of management accounts and budgets by an appointed school finance officer; and
   (x) Monitor and evaluate student achievement on a termly basis, provide regular training to staff and create a staff culture where peer observation, feedback and discussion about learning are commonplace.

Through the risk management process outlined above, the Trustee Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised the systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

The Trustee Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are broadly satisfied that systems and procedures

are in place to mitigate our exposure to these major risks. Nevertheless, the Trustee Governors are acutely aware of the need to continually review and, where necessary, evolve these risk mitigants to enhance overall risk management. This includes working closely with the school's senior leadership team, which takes ownership of many of these mitigating actions on a day-to-day basis, as well as helping it to shape and attain key strategies on its School Improvement Plan and to draw up a longer-term vision for the school.

Structure, governance and management

Constitution

The company is a charitable company limited by guarantee and was set up by constitution in 2001. It is constituted under a Memorandum and Articles of Association dated 2001 (updated 2018) and is a registered charity (charity number 1090757). The principal objective of the company is to provide education to children. During the year 2020-21 the school averaged 55 pupils and 34 staff.

Governance structure

Trustee Governor Membership & Committees

	Appointed	Trustee Governor Type	Main Board	Committees*		
				FLM	PDBW	TLA
Trustee Governors						
Johnnie Wraith (Chair)	Dec-14	Parent	■	■		
Daniela Schwartz (Vice-Chair)	Jul-14	Community	■		**X**	
Hala Ensari	Nov-18	Parent	■		■	
Beatriz Exposito	Nov-19	Staff	■			■
Anna De Freitas (to July 2021)	Nov-19	Parent	■		■	
Michael Gallagher	Sep-19	Community	■			■
Steve Hussey	Jun-17	Parent	■	**X**		
Robert Linton (to January 2021)	Jan-13	Community	■			**X**
Helen de La Rochefoucauld (to July 2021)	Sep-19	Community	■	■		
Associate members						
Nick Herrtage (Real Estate Advisor)	-	External		Eo		
Wendy Coombes (Advisor)	-	External				Eo
Verity Carnevale (co-Head)	-	Staff		Eo	Eo	
Holly Bristow (co-Head)	-	Staff		Eo		Eo
Claire Huntington		Staff				Eo
Phoebe Buret	-	Staff			Eo	
Steve Williams (Finance Officer)	-	Staff		IoA		
Lorraine Morgan (Business Manager)		Staff		IoA		
Number of meetings			4	6	4	4

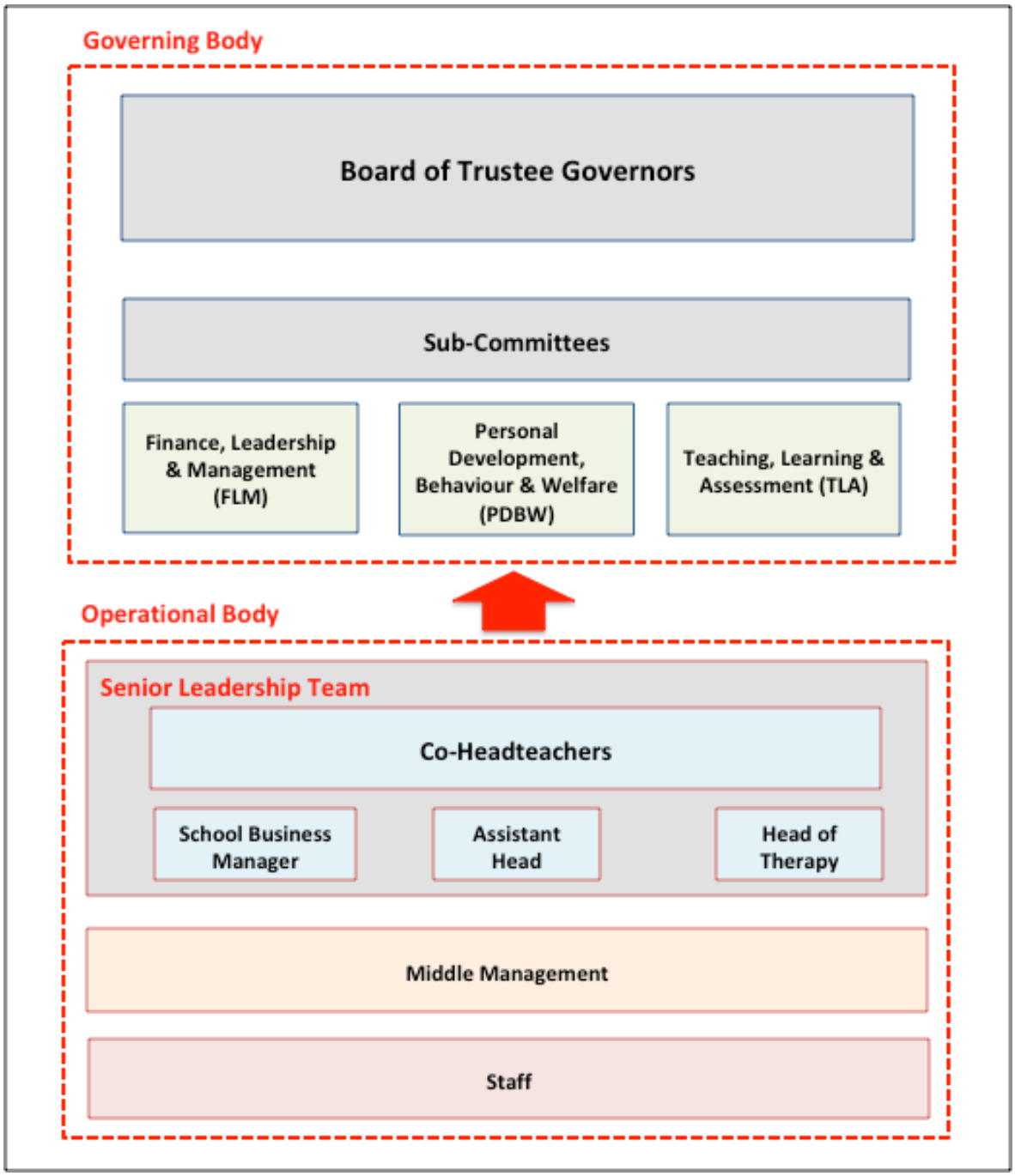
X Chair/ ■ Member/ Eo Ex-officio/ IoA Invited to attend

*FLM=Finance, Leadership & Management/ PDBW=Personal Development, Behaviour & Welfare/ TLA=Teaching, Learning & Assessment. [N.B. The previous separate Finance and the Leadership & Management committees were combined to form the FLM committee in January 2019.]

Management structure

The Board of Trustee Governors administers the charity. The Trustee Governors of the charity are legally responsible for the overall management and control of the school. The main Board of Trustee Governors is convened four times a year, with separate sub-committees held more often across the year.

The work of implementing their policies is carried out by the Co-Headteachers and their staff. The Co-Headteachers attend all the regular meetings of the Board of Trustee Governors (ex-officio) and its sub-committees.



Method of appointment or election of Trustee Governors

The management of the company is the responsibility of the Trustee Governors who are elected and co-opted under the terms of the Articles of Association.

None of the Trustee Governors has any beneficial interest in the company. All of the Trustee Governors are members of the company and guarantee to contribute £10 in the event of a winding up.

Polices adopted for the induction and training of Trustee Governors

New Trustee Governors are included into the workings of the charity and the school, including Board policy and procedures, by attending a meeting as an observer and interviewing with the Co-Headteachers and separately the Chair of Trustee Governors. Training is provided for existing members to ensure that they remain fully conversant with relevant current legislation, policy and procedures. Governing documentation states that the time limit for serving on the Board of Trustee Governors is 4 years (although can be re-elected to serve a second term).

Remuneration Policy

Posts for staff are advertised in the relevant arena. Pay is based on set pay-scales, where they exist, and the experience of the candidate. Similar posts are scrutinised to ensure fair and relevant salary levels.

Group structure

The charity does not have any non-charitable subsidiary, and is not engaged in any form of trading.

Funds held as custodian

No funds are held as custodian.

Significant events after the year-end

None

SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

The Trustees report was approved by the Board of Trustee Governors.

John Wraith

Mr J Wraith
Trustee Governor
Dated: 23 August 2022

Steve Hussey

Mr S Hussey
Trustee Governor
Dated: 23 August 2022

PARAYHOUSE SCHOOL

STATEMENT OF TRUSTEE GOVERNORS' REPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustee Governors (who are also the directors of Parayhouse School for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those 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;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for 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 the legislation in other jurisdictions.

Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARAYHOUSE SCHOOL

Opinion

We have audited the financial statements of Parayhouse School for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, 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 charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the 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 charity 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 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 Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the 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 take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees' responsibilities statement set out on page 17, 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 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 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

- Reviewing minutes of all Trustee Governor meetings during the year;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



Siobhan Holmes (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 25 August 2022

PARAYHOUSE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Donations, legacies and grants	4	589,090	25,652	614,742	704,519
Charitable activities	5	1,116,987	-	1,116,987	972,335
Investments	6	1,711	-	1,711	2,999
Other income	7	79,943	-	79,943	37,603
Total income		1,787,731	25,652	1,813,383	1,717,456
EXPENDITURE ON:					
Charitable activities	8	1,482,031	30,813	1,512,844	1,313,646
Total expenditure		1,482,031	30,813	1,512,844	1,313,646
NET INCOME		305,700	(5,161)	300,539	403,810
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		305,700	(5,161)	300,539	403,810
RECONCILIATION OF FUNDS					
Fund balances brought forward At 1 September 2020		1,099,770	166,289	1,266,059	862,249
Fund balance carried forward At 31 August 2021		1,405,470	161,128	1,566,598	1,266,059

The notes on pages 24 to 34 form part of these financial statements.

PARAYHOUSE SCHOOL

BALANCE SHEET

AT 31 AUGUST 2021

Company Number: 05114516

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	144,377	130,338
CURRENT ASSETS			
Stocks	14	-	2,473
Debtors	15	31,588	28,974
Cash at bank and in hand		1,559,170	1,156,084
		1,590,758	1,187,531
CREDITORS			
Amounts falling due within one year	16	(168,537)	(49,766)
NET CURRENT ASSETS		1,422,221	1,137,765
CREDITORS			
Amounts falling due in more than one year	17	-	(2,044)
NET ASSETS		1,566,598	1,266,059
THE FUNDS OF THE CHARITY			
Restricted funds	19	161,128	166,289
Unrestricted funds		1,405,470	1,099,770
TOTAL CHARITY FUNDS		1,566,598	1,266,059

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31st August 2020, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and applications of resources including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The financial statements on pages 24 to 34 were approved by the trustees and authorised for issued and are signed on their behalf by:

John Wraith

Mr J Wraith
Trustee Governor
Dated: 23 August 2022

Steve Hussey

Mr S Hussey
Trustee Governor
Dated: 23 August 2022

PARAYHOUSE SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	300,539	403,810
Adjustments for		
Depreciation	46,452	36,642
Investment income	(1,711)	(2,999)
Decrease in stocks	2,473	1,187
Increase/decrease in debtors	(2,614)	(25,611)
Increase/decrease in creditors	116,727	(10,945)
Net cash used in operating activities	461,866	402,084
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	1,711	2,999
Purchase of tangible assets	(60,491)	(10,692)
Sale of tangible fixed assets	-	331
Net cash (used in)/provided by investing activities	(58,780)	(7,362)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	403,086	(38,077)
Cash and cash equivalents at the beginning of the reporting period	1,156,084	799,439
Cash and cash equivalents at the end of the reporting period	1,559,170	1,156,084

1. GENERAL INFOMRATION

The charity (number 1090757) is limited by guarantee, incorporated in England & Wales (number 04270330), and consequently does not have share capital. Each of the Trustee Governors is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hammersmith and Fulham College
Gliddon Road
London
W14 9BL

2. ACCOUNTING POLICIES

Accounting convention
The accounts have been prepared in accordance with the charity's governing document. the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling. which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to Include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustee Governors continue to adopt the going concern basis of accounting in preparing the accounts.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance or their charitable objectives unless the fund have been designated for other purposes.

Restricted funds are subject to specific; conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Income
Income is recognised when the charity is legally entitled to it after any performance conditions have been met. The amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2. ACCOUNTING POLICIES (Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. net of discounts, VAT and other sales related taxes.

Expenditure
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All pension costs and associated liabilities are allocated to unrestricted funds.

Tangible fixed assets
Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Leasehold improvements	10% straight line
Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line
Motor vehicles	20% straight line

Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine tt1e extent of tt1e impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks. other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. ACCOUNTING POLICIES (Continued)

Financial instruments
The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's ·balance sheet when the charity becomes party to the contractual provisions of the instrument. ··

Financial assets and liabilities are offset with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets and liabilities
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where tile transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets Classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost. using the effective interest rate method

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities. if payment is due within one year or less. If not, they are presented as non-current liabilities trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. ·

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(Expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability. ·

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the Trustee Governors 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 period.

4. DONATIONS, LEGACIES & GRANTS

	Total 2021 £	Total 2020 £
Donations and legacies	666	6,515
Grants, including capital & government grants	614,076	698,004
	614,742	704,519

During the year, government grant funding totalled £614,076 (2020: £698,004), including Non-Maintained Special Schools funding from the Education & Skills Funding Agency, pupil premium, COVID-19 catch up funding, capital project funding, and assistance towards teachers' pay and pension costs.

5. INCOME FROM CHARITABLE ACTIVITIES

	Total 2021 £	Total 2020 £
School fees receivable	1,116,987	972,335
	1,116,987	972,335

6. INVESTMENTS

	Total 2021 £	Total 2020 £
Interest receivable and similar income	1,711	2,999
	1,711	2,999

7. OTHER INCOME

	Total 2021 £	Total 2020 £
Other income	71,028	20,550
Lunch money	6,949	15,560
Excursion money	1,580	315
Uniform income	386	1,178
	79,943	37,603

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2021 £	Total 2020 £
Staff costs	946,493	790,641
Depreciation	23,015	20,811
Courses	42,850	33,814
Education materials	5,818	4,116
Sport costs	5,503	2,489
Functions and outgoing	439	5,926
Other expenditure	-	9,512
Support costs	488,726	446,337
	1,512,844	1,313,646

9. SUPPORT COSTS

	Total 2021 £	Total 2020 £
Staff costs	68,154	68,154
Depreciation	23,437	15,831
School lunches	16,712	20,028
School uniform costs	2,496	2,473
Insurance	14,277	13,629
Caretaking costs	5,659	3,331
Hire of equipment	6,536	4,105
Motor costs	1,850	1,325
Rent and rates	78,339	63,056
Governance costs (see note 9)	157,111	149,164
Other expenditure	114,155	105,241
	488,726	446,337

10. GOVERNANCE COSTS

	Total 2021 £	Total 2020 £
Staff costs	137,076	137,076
Auditors remuneration		
Statutory audit	13,800	7,200
Non-audit services	1,800	4,888
Accountancy fees	4,435	-
	157,111	149,164

11. RELATED PARTY TRANSACTIONS

No Trustee Governors, nor any persons connected with them, have received any remuneration from the charity during the year. Additionally, no Trustee Governors have received any reimbursed expenses or any other benefits from the charity during the year.

There were no transactions or balances with related parties during the year requiring disclosure (2020: none).

12. STAFF COSTS

	2021 £	2020 £
Staff costs for the above persons:		
Wages and salaries	1,028,188	891,880
Social security costs	90,447	77,846
Other pension costs	33,088	26,145
	1,151,723	995,871

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was as follows:

Average employees in the year	39	35

The number of employees whose emoluments fell within the following bands was:

£60,001-£70,000	2	1

The total remuneration of the key management personnel of the charity were £232,495 (2020 - £164,849).

The remuneration increase from 2019/20 to 2020/21 relates to wages inflation and an additional new member of the Senior Leadership team.

13. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost:				
1 September 2020	142,328	139,321	30,172	327,636
Additions	-	60,491	-	60,491
31 August 2021	142,328	199,812	30,172	388,127
Depreciation:				
1 September 2020	59,301	113,859	24,138	197,298
Charge for year	15,814	24,604	6,034	46,452
31 August 2021	75,115	138,463	30,172	243,750
Net book value:				
31 August 2021	83,028	61,349	-	144,377
31 August 2020	98,841	25,462	6,034	130,338

14. STOCKS

	2021 £	2020 £
School uniforms	-	2,473

15. DEBTORS

	2021 £	2020 £
Trade debtors	13,143	22,239
Prepayments	14,403	3,764
Accrued income	-	486
Other debtors	4,042	2,485
	31,588	28,974

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	9,401	-
Hire purchase and finance leases	2,044	6,016
Taxation and social security	30,671	23,562
Accruals	107,324	12,668
Other creditors	19,097	7,520
	168,537	49,766

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Hire purchase and finance leases	-	2,044

18. OBLIGATIONS UNDER FINANCE LEASES

	2021 £	2020 £
Within one year	2,044	6,016
In two to five years	-	2,044
	2,044	8,060
Less finance charges allocated to future periods	-	(116)
	2,044	7,944

19. RESTRICTED FUNDS

	1 September 2020	Income	Expenditure	Transfers Between Funds	31 August 2021
	£	£	£	£	£
Restricted funds					
Breakfast Club	763	-	-	-	763
Capital maintenance	115,312	19,070	(11,761)	-	122,621
Devolved Formula Capital	16,290	6,582	(2,620)	-	20,252
PE & Sports	33,924	-	(16,432)	-	17,492
	166,289	25,652	(30,813)		161,128

	1 September 2019	Income	Expenditure	Transfers Between Funds	31 August 2020
	£	£	£	£	£
Restricted funds					
Breakfast Club	-	1,000	(237)	-	763
Capital maintenance	112,355	19,070	(16,113)	-	115,312
Devolved Formula Capital	14,536	5,890	(4,136)	-	16,290
PE & Sports	6,932	29,000	(2,008)	-	33,924
	133,823	54,960	(22,494)	-	166,289

Breakfast club
Kellogg's Breakfast Ltd provided grants to schools to help fund Breakfast Clubs for pupils who were primarily entitled to Free School Meals/Pupil Premium. There is a clear link between students who have eaten breakfast and attendance/attainment.

Capital maintenance
Ensures premises are fit for purpose and remain in good repair, and enable improvements for the benefit of the pupils.

Devolved Formula Capital
The Devolved Formula Capital grant enables works to update infrastructure, the purchase of classroom and IT equipment to further learning.

PE & Sports
The Sports and PE grant is a DfE grant that facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.

Teachers pay
The teachers' pay grant is a DfE grant that provides funding for schools to support the annual teachers' pay awards.

Teachers pension
The teachers' pension employer contribution grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted Funds £	TOTAL 2021 £
Tangible fixed assets	18,132	126,245	144,377
Current assets	1,542,019	48,739	1,590,758
Current liabilities	(168,537)	-	(168,537)
Non-current liabilities	-	-	-
	1,391,614	174,984	1,566,598

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds £	Restricted Funds £	TOTAL 2020 £
Tangible fixed assets	5,958	124,380	130,338
Current assets	1,145,622	41,909	1,187,531
Current liabilities	(49,766)	-	(49,766)
Non-current liabilities	(2,044)	-	(2,044)
	1,099,770	166,289	1,266,059

21. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
INCOME FROM:			
Donations, legacies and grants	649,559	54,960	704,519
Charitable activities	972,335	-	972,335
Investments	2,999	-	2,999
Other income	37,603	-	37,603
Total income	1,662,496	54,960	1,717,456
EXPENDITURE ON:			
Charitable activities	1,291,152	22,494	1,313,646
Total expenditure	1,291,152	22,494	1,313,646
NET INCOME	371,344	32,466	403,810
Transfers between funds	-	-	-
NET MOVEMENT IN FUNDS	371,344	32,466	403,810
RECONCILIATION OF FUNDS			
Fund balances brought forward	728,426	133,823	862,249
Fund balance carried forward	1,099,770	166,289	1,266,059

PARAYHOUSE SCHOOL

England & Wales - Charity number 1090757

Accounts

Company registration number: 04270330

Charity registration number: 1090757

Parayhouse School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

Alpha Accountants (London) Limited
585A Fulham Road
Fulham
London
SW6 5UA

Parayhouse School

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Parayhouse School

Reference and Administrative Details

Chair of Trustee Governors	Mr John William Wraith
Vice Chair of Trustee Governors	Ms Daniela Schwartz
Board of Trustee Governors	Full list provided on page 13 of this report
Co-Headteachers	Ms Verity Carnevale Ms Holly Bristow
Company Registration Number	04270330
Charity Registration Number	1090757
Registered Office	Hammersmith and Fulham College Gliddon Road London W14 9BL
Auditor	Alpha Accountants (London) Limited 585A Fulham Road Fulham London SW6 5UA
Bankers	HSBC Bank UK plc 315 Fulham Road Chelsea London SE10 9QJ
Solicitors	Veale Wasbrough Vizards LLP 86 Feather Lane London EC4A 1AD

Parayhouse School

Introductory Overview

Parayhouse school is a non-maintained special school for students with significant speech, language and communication needs, moderate/severe learning difficulties and associated social, emotional, behavioural and medical difficulties. The school caters for students from 7-16 years of age.

Parayhouse school is committed to ensuring that each and every student reaches his or her full potential. The school delivers its mission in three essential ways:

(1) It provides a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) It creates a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) It establishes close working relationships between parents, carers, students and staff to support learning and behaviour at home as well as at school.

The school is governed by a registered charity, which takes the school's name, and is run by a Board of Trustee Governors. Senior leadership of the school and its staff are ultimately accountable to this Board and work closely together to actively manage the risks the school faces and help to deliver the co-Headteachers' vision and development of the school.

Parayhouse School

Chair of Trustee Governors' Statement



"We place the education and prospects of our students front and centre in all that we do. We are fully committed to their wellbeing and that of every member of staff.

"The experiences of 2020 give us full confidence we can rise to any challenge, thanks to the resilience and commitment of all our stakeholders."

Johnnie Wraith

In my introductory statement to last year's Parayhouse School Trustees Governors Report, I stated that the school was 'well equipped to cope with its current circumstances, (and) well insulated against future challenges'. While I had full confidence that was the case, there was no way anyone could have anticipated the extent to which that ability to cope with future challenges would soon be tested. 2020 has of course been completely dominated by the Covid-19 pandemic, and the way in which the co-Heads, Senior Leadership Team, and all members of staff have steered the school through the crisis has been absolutely remarkable.

The online and remote learning provision that was such a significant and sudden challenge for so many schools was made even more difficult for Parayhouse School due to the varied and complex needs of its students, but a combination of dedication to the students and complete commitment and hard work from the staff ensured the best possible outcome for all students throughout the second half of the last school year.

The physical return to school in September was no less challenging, due to the need to provide a completely safe and secure environment for students and staff alike, and entailed a great deal of careful preparation over the summer. Although the whole team needed and richly deserved a rest after the challenges of the first half of the year, they rose to the occasion so diligently that all students were able to return safely at the start of the new school year and their education has been able to continue seamlessly thanks to the thoroughness with which protective measures were put in place.

With optimism now growing that the effects of the pandemic will gradually start to ease over the coming months, we are hopeful that the whole Parayhouse School family will be able to enjoy a return to normality soon, and fully benefit from the bonding experience of recent months. We are optimistic that parents will be able to return to the school in good time to enjoy and share with the staff and students the assemblies, sports days, performances, and other events that are at the heart of our school's life in normal times.

The school continues to be in a healthy financial situation, and its Board of Trustee Governors remains fully committed to overseeing and protecting both the financial health of the school and every aspect of its mandated responsibilities. It is with confidence that, on behalf of the Board, I can restate this year that Parayhouse School remains well equipped to maximise the students' educational experience, to ensure the wellbeing of students and staff alike, and to cope with whatever challenges may lie ahead. We approach the future with optimism and a determination to work constantly to make our school the very best educational establishment it has the potential to be.

Johnnie Wraith

Chair of Trustee Governors

Parayhouse School

Message from the Co-Headteachers



Verity Carnevale & Holly Bristow

As with all educational settings the academic year 2019-20 has been a challenging and unusual time for our school due to the widespread effects of COVID-19. Despite the unprecedented hurdles that we have faced as a school community, we are immensely proud of the strength, resilience and positivity of our staff and students alike.

At the end of March 2020, the school temporarily closed in order to review its health and safety measures and to evaluate our ability to provide a secure environment for all. During that time we continued to offer education and welfare support to families, and ensured that students were able to receive Free School Meals vouchers and had regular contact with their teachers. This was not without its challenges due to the wide range of complex learning needs of our students and we are grateful to our staff for their persistence in offering tailored support despite the circumstances.

Once risk assessments had been created, PPE ordered and relevant procedures put in place, including a robust cleaning schedule, we were delighted to be able to re-open in early June for students with key worker parents and those on Child Protection plans. Later that month we were able to extend this to a 2 days a week provision for all students (split into two groups). Despite restrictions, we were also pleased to be able to host an outside, socially distanced celebration for our school leavers and their families. As well as saying goodbye to students, we were also faced with finding new ways to prepare to welcome 12 new students in the new school year from September 2020, and staff worked hard to find flexible solutions to support families at this time.

Although the pandemic has undoubtedly impacted the progress of a number of our school's intended activities for this academic year, we have been able to make headway in key areas such as the development of our new Creative Hub. This additional space on the same site as the existing school is an exciting opportunity to provide the students with a light, spacious area in which to undertake art and music lessons and also offers much needed additional outside space. In turn this has freed up space within the main school building for a dedicated area for Occupational Therapy and a larger area for staff PPA, which reduces crowding the classrooms.

In response to the new challenges we have faced, the school has expedited its planned ICT improvements and has been able to ensure all staff are provided with updated equipment, whilst also developing online learning resources for the students. This is something that we will continue to develop over a budgeted 3 year period to raise the quality and effectiveness of the school's ICT systems, functionality and curriculum.

Over the next year we will also be developing the school's Mental Health strategy and updating our assessment processes. We aim to also work on further strengthening our relationships with local authorities to ensure that we work as effectively as possible together to maximise the service we provide to students and their families.

We approach this coming academic year with determination to continue tackling and overcoming any challenges presented by the on-going pandemic whilst, as ever, continuing to ensure the best possible outcomes for every child.

Verity Carnevale & Holly Bristow,

Co-Headteachers.

Parayhouse School

Trustee Governors' Report

The Trustee Governors (who are also directors of the charity for the purposes of the Companies Act 2006) present their report and accounts for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Charitable Objects

The object for which the charity is established is to advance education by carrying on in Great Britain a school or schools for the public benefit at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description. The charity provides a specialist education for students with speech, language and communication needs, moderate and severe learning difficulties and behavioural, emotional & social difficulties.

Aims of the charity

The school's primary aim is to provide a first class education through high quality tuition and by developing sporting, artistic and social/ life skills in all its students. The school intends to provide an environment where each student can develop and fulfil his or her potential, to help build self-confidence, independence and social awareness.

The school focuses its work on preparing students with special needs for the challenges they will meet when leaving school. The school recognises that it is the development of social, language and thinking skills that enable students to express themselves, to understand and to function optimally in the world.

We also believe in the power of collaborative practice. Together, we face challenges, celebrate achievement and aspire to do our very best.

We deliver our mission in three essential ways:

(1) We provide a safe and nurturing environment where students feel secure and are confident and eager to learn;
(2) We create a highly specialised and individualised curriculum, with speech and language at its heart, empowering students to learn; and
(3) We establish close working relationships between parents, carers, students and staff to support learning and behaviour.

Strategies for achieving aims and objectives

(1) We continue to develop our current premises, which this year has included the setting up of a Creative Hub for art and music therapy in additional premises leased from the College. Our aim is to provide a safe, secure and nurturing learning environment for students and a welcoming and comfortable working environment for staff;
(2) We continue to develop our leadership structure, with a key focus on proving support to the co-Headteachers from Trustee Governors and our experienced external advisor, to ensure the efficient and effective management of the school. In addition, we are focused on developing leadership opportunities further down the school, to help manage succession planning and to offer staff a route to professional development;
(3) We continue to develop personalised learning and assessment as a key strategy to maximise the learning opportunities and growth of all students;
(4) We look to increase the impact of speech and language therapy across the school, with a view to achieving high standards in students' communication skills; and

(5) We aim to build upon the current high level of Trustee Governor and parent/ carer involvement, to ensure that the co-Headteachers and staff are effectively challenged, and that parents remain key to school development.

Compliance with Charity Commission guidance

The Trustee Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Staff involvement

One of the keys to the school's success is the aim to foster an engaged and highly motivated staff. By consulting staff, including more regular use of staff surveys, we endeavour to get feedback on a regular basis, not only in ways we can improve the learning experience for our students, but also to improve the well-being of staff. The senior leadership team aims to be pro-active in making sure staff are kept informed of the school's progress. We seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the school's performance.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other staff.

Grant making policies

The school does not currently have a grant making policy.

Use of volunteers

A number of parents and carers of children attending the school volunteer to provide support for many fundraising activities during the year including raffles, quiz nights and sponsored events for the school. The Trustee Governors would like to take this opportunity to say how much we appreciate their continuing and valuable support for our work.

A regular number of students from within higher education are offered unpaid, temporary work experience placements.

Fundraising

Historically, aside from a short, intensive fundraising project in January 2017 to fit out a sensory room, the school has not had an organised fundraising function. However, over the past year we have taken external advice from a number of experts and have outlined a broad fundraising strategy, split between short- and long-term objectives. While the latter will take some time to flesh out and plan for, we have started on a number of short-term fundraising efforts. At this stage these are focused on applying for various grants to match-fund specific projects and activities.

Parayhouse School

Trustee Governors' Report

Achievements and performance

Main Achievements

- Safe negotiation through the pandemic and the continued provision of tailored home learning and family support during lockdown;
- Student numbers remained strong at 51 secured placements;
- New School Business Manager was established successfully in her role and the creation of a Senior Leadership Assistant has provided vital administrative support in key areas;
- The Creative Hub was secured to add much needed space for music and art lessons. It also provides additional meeting room and outdoor space;
- Parent engagement and administrative productivity have been improved with the introduction of school communication app "Ping";
- Introduction of Google Suites to support students with home learning and improve communication to parents; and
- ICT infrastructure upgraded to improve functionality to support future developments in hardware and software.

Parayhouse School

Trustee Governors' Report

Financial Review

Review of financial position

The charity generated another significant year-on-year increase in operating surplus £403,810 (2019: £239,741), due in large part to lower operating costs (£133,571 lower YoY), which were impacted by the Covid-19 pandemic (principally lower staff costs and the cancellation of the annual residential trip). This operating surplus bolstered net assets of the charity to £1,266,059 (2019: £862,249), which is split between unrestricted reserves of £1,099,770 (2019: £728,426) and restricted reserves of £166,289 (2019: £133,823).

This total of unrestricted reserves, held as cash/ savings across a number of bank and building society accounts, is now in excess of the minimum reserves policy set by Trustee Governors (see below), but provides a solid buffer against any unforeseen expenditure requirements. Also, these liquid assets are more than sufficient to cover the charity's current liabilities £49,766 (2019: £76,957)

Restricted reserves increased by £32,466 (2019: £34,540) with the school not having fully spent its PE grant in the year (although this would be expected to be spent during the next financial year).

Another way of thinking about total **net** assets of £1,266,059 (2019: £862,249) is to consider the charity's balance sheet, and specifically the difference between its Total assets of £1,317,869, split between:-

- Tangible assets of £130,338 (2019: £140,804) [incl. leasehold improvements of £98,842 (2019: £114,565)]; plus
- Cash balances of £1,156,084 (2019: £799,439) [retained annual net surpluses]; plus
- Stock of uniforms totalling £2,473 (2019: £3,660); plus
- Debtors totalling £28,974 (£3,363);
- Resulting in total assets of £1,317,869 (2019: £947,266)

And its Total liabilities of just £51,810 (2019: £85,017): -

- Creditors: amounts falling due within one year of £49,766 (2019: £76,957); plus
- Creditors: amounts falling due after more than one year of £2,044 (2019: £8,060).

Income generation

During the year under review income totalled £1,717,456 (2019: £1,686,956), representing a small increase on the previous year (1.8% YoY), but was +10.1% above the year's budget, with higher student fees and EFA DFC grant than was anticipated. Total income is mainly in the form of unrestricted funding of student fees from placing local authorities £972,335 (2019: 1,122,168) and unrestricted funding of EFA student grants and donations £649,559 (2019: £499,391), with the YoY increase due staff pension and salary grants. The remaining unrestricted fund income generated relates to investment income £2,999 (2019: £2,646) and other income £37,603 (2019: £27,892).
Additionally, restricted funds donations and legacies were received totalling £54,960 (£34,859).

Resources expended

The total cost of operation of the school amounted to £1,313,646 (2019: £1,447,215), representing a 9.2% drop on the prior year and 11.2% below budget. This was driven mainly by lower staff costs £995,871 (2019: £1,068,161) [£72,290 lower YoY], with the reduction mainly accruing during the Covid-19 shutdown of the school in April and May. The pandemic also put pay to the school's annual residential trip, which typically costs around £12,000. Staff costs continue to account for the large bulk of overall costs ~ 75% (2019: ~75%), with the next largest cost items being premises costs £63,056 (2019: £60,000) representing ~ 4.5% (2019: ~ 4.5%) of the total costs. Additionally, a further reduction of the book value of capital equipment due to depreciation £36,642 (2019: £32,789) representing ~ 2.5% of total costs (2019: ~2.5%) and staff courses £33,814 (2019: £36,339) representing ~ 2.5% (2019: ~ 2.5%) of total costs and then a further immaterial reduction to a host of smaller line items.

Parayhouse School

Trustee Governors' Report

Historical 10 year view

£	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Net income	**25,001**	**13,223**	**59,054**	**32,667**	**56,979**	**129,028**	**101,640**	**121,755**	**239,741**	**403,810**
Fund balances	**108,161**	**121,384**	**180,439**	**213,106**	**270,085**	**399,113**	**500,752**	**622,508**	**862,249**	**1,226,059**
Restricted	0	0	0	62,839	26,634	81,837	97,569	99,283	133,823	166,289
Unrestricted	108,161	121,384	180,439	150,267	243,451	317,276	403,183	523,225	728,426	1,099,770
Av # students	46	46	46	48	42	48	45	47	56	51
Av # staff	25	27	28	35	32	31	31	33	36	35

Reserves policy

The school needs unrestricted reserves to:

(1) Meet any contractual liabilities should the school be required to close;
(2) Meet any unexpected costs such as premises moves, breakdown of machinery or staff cover;
(3) Replace equipment as it wears out; and
(4) Ensure the school can maintain a high quality of service.

The charity aims to maintain total unrestricted reserves at a level equivalent to at least six months operating costs based on current annual expenditure whilst also considering the possible need for redundancy costs. The Trustee Governors regularly review the level of unrestricted reserves, and as of 31st August 2020 have determined that based upon expected 2020-21 budgeted levels of expenditure, the amount of unrestricted reserves required is £725,000. Current unrestricted reserves are £1,099,770 (2019: £728,426) and so comfortably exceed this minimum requirement. As this balance of unrestricted reserves is expected to continue to rise, albeit at a slower rate, the Trustee Governors will analyse and debate the potential to ring-fence some of the total for specific reserves to cover expected multi-year expenditure on ICT and on premises (both current and potentially alternative premises in future).

Investment policy

The Trustee Governors have overall responsibility for the investment of the charity's cash balances and other unrestricted reserves. In turn, this responsibility is delegated to its Finance, Leadership & Management (FLM) sub-committee to monitor on an on-going basis. This sub-committee reports to the Board of Trustee Governors on a periodic basis, including a summary of the various investments, their performance and risks.

The FLM sub-committee's primary investment objectives are:

(1) To ensure adequate cash balances are available in an approved bank account to cover day-to-day working capital requirements of the school's operations, without the account becoming overdrawn; and
(2) To protect the real long-term capital value of the unrestricted reserves, minimising risks and optimising returns, with due consideration taken of the flexibility and term of investments.

The committee analyses and monitors the various market risks associated with these investments on an on-going basis, with working cash balances and other unrestricted reserves distributed across potentially three main investment types, depending on the total balances at-hand:-

(1) Bank current/ business accounts;
(2) Savings accounts and other similar savings vehicles; and
(3) Investment funds.

Historically, given the limited unrestricted reserves available and the low risk appetite, the majority has been placed in (1) and (2) above. As/ when these unrestricted reserves grow in value, the FLM sub-committee would expect to explore options within (3) above, albeit with a focus on capital preservation and low risk diversification. At this time external professional advice would be sought as a key input to any decision.

Towards the end of the financial year, the FLM sub-committee analysed the potential to manage its separate bank savings deposits through a savings platform, Flagstone Investment Management, a company endorsed by CAF and used widely by charities. This FCA-regulated entity provides a one-stop shop in terms of setting up and managing cash balances, providing access to a wide range of bank accounts and significantly reducing the administrative burden of previously setting up individual bank and building society savings deposit accounts. Having carried out due diligence, including a meeting with the company to go through our IT and data protection concerns, and proposing that no individual account balance would exceed the FSCS £85,000 insured level, the proposal was ratified by the Board of Trustee Governors in the early part of the FY20-21, with a large part of the excess unrestricted reserves transferred and managed off this platform.

Going concern

After making appropriate enquires, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting polices.

Principal funding

The principal funding is from local authorities, with top-up school fees in some instances from parents, plus grants from the central Education and Skills Funding Agency (ESFA).

The Statement of Financial Activities for the year is set out on page 20 of the financial statements. A summary of the financial results and the work by the charity is set out below.

How principal sources of funding support the key objectives of the charity

• Fees from local authorities along with fees charged to parents facilitate the day-to-day running of the school, providing resources to cover staff salaries, teaching resources (incl. books, stationery supplies, computers) and other operating overheads.
• Grants received from the ESFA provide a top-up to fees received from placing local authorities and help subsidise student fees and enable disadvantaged students with parents who would not otherwise be able to afford the school's fees to benefit from the high-quality education provided.
• The Devolved Formula Capital grant enables the purchase of classroom and IT equipment to further learning.
• The Capital Maintenance grant ensures premises is fit for purpose and remains in good repair, and enables improvements for the benefit of the pupils, such as the construction of the all-weather playing surface.
• The Sports and PE grant facilitates the purchase of sports equipment, training and attendance at sporting events to develop the sporting skills of the pupils.
• The Department of Education has set up a Covid-19 grant of £12,000, which will be distributed to the school in the FY20-21.

Material Investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustee Governors see fit. The Trustee Governors have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Parayhouse School

Trustee Governors' Report

Risk Review

Risk management

The Trustee Governors are ultimately responsible for the management of the risks faced by the school. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence (based on an in-house scoring model), and identifying means of mitigating risks. A record of these is kept in a risk register, which is formally reviewed at each main Board of Trustee Governor meeting, and by the three separate sub-committees of the main Board on a periodic basis. In addition, a comprehensive list of school policies is regularly reviewed and updated for best practice, including input from an independent, third party HR firm.

As of the balance sheet date, the key risks identified by the Trustee Governors can be split across three main categories as follows:

(1) **Strategic and reputational risks**, including, but not limited to:-
   (a) A major safeguarding or health and safety incident;
   (b) Worsening of the Covid-19 outbreak or a new pandemic;
   (c) Competition risk arising from new or re-purposed schools in the area;
   (d) Loss of Chair of Trustee Governors and inability to promote or recruit a replacement;
   (e) A breach of staff code of conduct; and
   (f) A poor Ofsted inspection;

(2) **Operational risks**, including, but not limited to:-
   (a) A permanent loss of premises;
   (b) A temporary loss of premises due to fire, flood or other emergency;
   (c) IT capability risk – out-dated/ unsupported systems causing loss of data and/or operational issue;
   (d) Breach of GDPR or e-security; and
   (e) Staffing issues, e.g. loss of multiple staff at one time and/or significant employment law issues;

(3) **Financial risks**, including, but not limited to:-
   (a) Financial fraud;
   (b) Loss of student numbers making the school's financial model unviable;
   (c) Reserves risk – lack of sufficient funds in reserves to allow school to carry on operations for a limited time under stress; and
   (d) Investment policy risk – capital loss by inappropriate investments of the charity's reserves.

Mitigating actions are regularly reviewed, assessed for appropriateness and updated where necessary, and with the proviso that some are a work-in-progress given the scale involved. Key strategies implemented to help mitigate some of these risks include, but are not limited to:-

   (i) Maintenance of a comprehensive set of reference policy documents;
   (ii) Continuous offering of staff and Trustee Governor training across all risk categories, as well as regular skills-gap audits;
   (iii) Access to independent, third-party specialist advice, e.g. in HR, IT, data protection (and cyber risk evaluation), insurance and property management;
   (iv) Continuing development of senior management of the school and succession planning, where relevant, and including a review of recruitment and staff retention;
   (v) Maintenance of a strong working relationship with the school's current property landlord (Hammersmith & West London College);
   (vi) Creation of a business continuity plan, including search for alternative settings required in an emergency;
   (vii) Development of a coherent and realistic fundraising strategy to help broaden the charity's resources and expand the school's offering;
   (viii) A regular review of reserves and investment policies, with strict oversight and schemes of delegation, and ultimate approval/ ratification by the main Board of Trustee Governors;
   (ix) Consistent control and forecasting of student numbers, frequent review of management accounts and budgets by an appointed school finance officer; and

(x) Monitor and evaluate student achievement on a termly basis, provide regular training to staff and create a staff culture where peer observation, feedback and discussion about learning are commonplace.

Through the risk management process outlined above, the Trustee Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised the systems can only provide reasonable, but not absolute, assurance that the major risks have been adequately managed.

The Trustee Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are broadly satisfied that systems and procedures are in place to mitigate our exposure to these major risks. Nevertheless, the Trustee Governors are acutely aware of the need to continually review and, where necessary, evolve these risk mitigants to enhance overall risk management. This includes working closely with the school's senior leadership team, which takes ownership of many of these mitigating actions on a day-to-day basis, as well as helping it to shape and attain key strategies on its School Improvement Plan an to draw up a longer-term vision for the school.

Parayhouse School

Trustee Governors' Report

Structure, governance and management

Constitution

The company is a charitable company limited by guarantee and was set up by constitution in 2001. It is constituted under a Memorandum and Articles of Association dated 2001 (updated 2018) and is a registered charity (charity number 1090757). The principal objective of the company is to provide education to children. During the year 2019-20 the school averaged 51 pupils and 35 staff.

Governance structure

Trustee Governor Membership & Committees

	Appointed	Trustee Governor Type	Main Board	Committees*		
				FLM	PDBW	TLA
Trustee Governors						
Johnnie Wraith (Chair)	Dec-14	Parent	■	■		
Daniela Schwartz (Vice-Chair)	Jul-14	Community	■		X	
Hala Ensari	Nov-18	Parent	■		■	
Beatriz Exposito	Nov-19	Staff	■			■
Anna De Freitas	Nov-19	Parent	■		■	
Michael Gallagher	Sep-19	Community	■			■
Steve Hussey	Jun-17	Parent	■	X		
Robert Linton	Jan-13	Community	■			X
Arabella Pembroke (to November 2019)	Sep-16	Staff	■			■
Helen de La Rochefoucauld	Sep-19	Community	■	■		
Rosanna Saffell (to November 2019)	Sep-14	Community	■	■		
Associate members						
Nick Herrtage (Real Estate Advisor)	-	External		Eo		
Wendy Coombes (Advisor)	-	External				Eo
Verity Carnevale (co-Head)	-	Staff		Eo	Eo	
Holly Bristow (co-Head)	-	Staff		Eo		Eo
Phoebe Buret	-	Staff			Eo	
Steve Williams (Finance Officer)	-	Staff		IoA		
Lorraine Morgan (Business Manager)		Staff		IoA		
Number of meetings			4	6	4	4

X Chair/ ■ Member/ Eo Ex-officio/ IoA Invited to attend

*FLM=Finance, Leadership & Management/ PDBW=Personal Development, Behaviour & Welfare/ TLA=Teaching, Learning & Assessment. [N.B. The previous separate Finance and the Leadership & Management committees were combined to form the FLM committee in January 2019.]

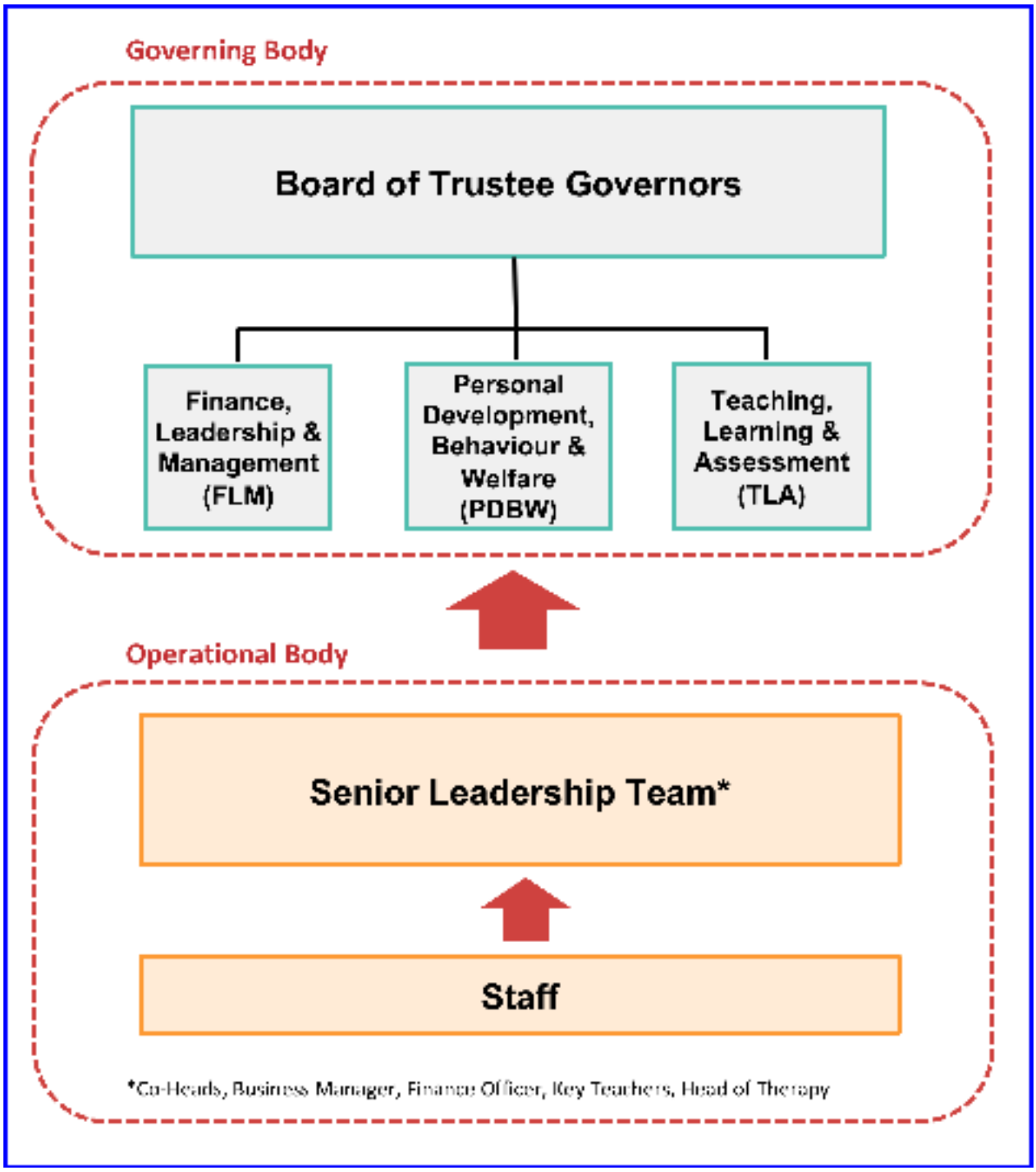
Parayhouse School

Trustee Governors' Report

Management structure

The Board of Trustee Governors administers the charity. The Trustee Governors of the charity are legally responsible for the overall management and control of the school. The main Board of Trustee Governors is convened four times a year, with separate sub-committees held more often across the year.

The work of implementing their policies is carried out by the Co-Headteachers and their staff. The Co-Headteachers attend all the regular meetings of the Board of Trustee Governors (ex-officio) and its sub-committees.



Parayhouse School

Trustee Governors' Report

Method of appointment or election of Trustee Governors

The management of the company is the responsibility of the Trustee Governors who are elected and co-opted under the terms of the Articles of Association.

None of the Trustee Governors has any beneficial interest in the company. All of the Trustee Governors are members of the company and guarantee to contribute £10 in the event of a winding up.

Polices adopted for the induction and training of Trustee Governors

New Trustee Governors are included into the workings of the charity and the school, including Board policy and procedures, by attending a meeting as an observer and interviewing with the Co-Headteachers and separately the Chair of Trustee Governors. Training is provided for existing members to ensure that they remain fully conversant with relevant current legislation, policy and procedures. Governing documentation states that the time limit for serving on the Board of Trustee Governors is 4 years (although can be re-elected to serve a second term).

Remuneration Policy

Posts for staff are advertised in the relevant arena. Pay is based on set pay-scales, where they exist, and the experience of the candidate. Similar posts are scrutinised to ensure fair and relevant salary levels.

Group structure

The charity does not have any non-charitable subsidiary, and is not engaged in any form of trading.

Funds held as custodian

No funds are held as custodian.

Significant events after the year-end

None

The Trustee Governors report was approved by the Board of Trustee Governors.

Johnnie Wraith
Johnnie Wraith (Aug 3, 2021 18:03 GMT+1)

Mr J Wraith
Trustee Governor
Dated: 27th July 2021

Steve Hussey
Steve Hussey (Aug 3, 2021 19:30 GMT+1)

Mr S Hussey
Trustee Governor
Dated: 27th July 2021

Parayhouse School

Statement of Trustee Governors Responsibilities

The Trustee Governors (who are also the directors of Parayhouse School for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustee Governors to prepare financial statements for each financial year. Under company law the Trustee Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustee Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Parayhouse School

Independent Auditor's Report to the Members of Parayhouse School

Opinion

We have audited the financial statements of Parayhouse School (the 'charity') for the year ended 31 August 2020, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee Governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustee Governors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Parayhouse School

Independent Auditor's Report to the Members of Parayhouse School

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the .

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

Responsibilities of Trustee Governors

As explained more fully in the Statement of Trustee Governors Responsibilities (set out on page 2), the Trustee Governors 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 Trustee Governors 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 Trustee Governors are responsible for assessing the charity'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 Trustee Governors either intend to liquidate the charity 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee Governors.

Independent Auditor's Report to the Members of Parayhouse School

- Conclude on the appropriateness of the Trustee Governors 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's Trustee Governors, 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 charity's Trustee Governors 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 its Trustee Governors as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Haralambos Hambi (Senior Statutory Auditor)
For and on behalf of Alpha Accountants (London) Limited, Statutory Auditor

585A Fulham Road
Fulham
London
SW6 5UA

Parayhouse School

Statement of Financial Activities for the Year Ended 31 August 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	649,559	54,960	704,519
Charitable activities	4	972,335	-	972,335
Investment income	5	2,999	-	2,999
Other income	6	37,603	-	37,603
Total income		1,662,496	54,960	1,717,456
Expenditure on:				
Charitable activities	7	(844,815)	(22,494)	(867,309)
Other expenditure	8	(446,337)	-	(446,337)
Total expenditure		(1,291,152)	(22,494)	(1,313,646)
Net income		371,344	32,466	403,810
Net movement in funds		371,344	32,466	403,810
Reconciliation of funds				
Total funds brought forward		728,426	133,823	862,249
Total funds carried forward	21	1,099,770	166,289	1,266,059

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	499,391	34,859	534,250
Charitable activities	4	1,122,168	-	1,122,168
Investment income	5	2,646	-	2,646
Other income	6	27,892	-	27,892
Total income		1,652,097	34,859	1,686,956
Expenditure on:				
Charitable activities	7	(1,044,185)	(25,142)	(1,069,327)
Other expenditure	8	(377,888)	-	(377,888)
Total expenditure		(1,422,073)	(25,142)	(1,447,215)
Net income		230,024	9,717	239,741
Transfers between funds		(24,823)	24,823	-
Net movement in funds		205,201	34,540	239,741
Reconciliation of funds				
Total funds brought forward		523,225	99,283	622,508
Total funds carried forward	21	728,426	133,823	862,249

Parayhouse School

Statement of Financial Activities for the Year Ended 31 August 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 21. Additionally, there was no transfer from unrestricted funds to restricted funds in 2020 (2019: £24,823). The movement in the prior year relates to the reallocation of depreciation charges between funds.

The statement of financial activities also complies with the requirements for an income an expenditure account under the Companies Act 206.

Parayhouse School

(Registration number: 04270330)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	130,338	140,804
Current assets			
Stocks	15	2,473	3,660
Debtors	16	28,974	3,363
Cash at bank and in hand	17	1,156,084	799,439
		1,187,531	806,462
Creditors: Amounts falling due within one year	18	(49,766)	(76,957)
Net current assets		1,137,765	729,505
Total assets less current liabilities		1,268,103	870,309
Creditors: Amounts falling due after more than one year	19	(2,044)	(8,060)
Net assets		1,266,059	862,249
Funds of the charity:			
Restricted income funds			
Restricted funds		166,289	133,823
Unrestricted income funds			
Unrestricted funds		1,099,770	728,426
Total funds	21	1,266,059	862,249

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31st August 2020, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and applications of resources including its income and expenditure for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees (Finance) on 27th July 2021.

Johnnie Wraith
Johnnie Wraith (Aug 3, 2021 18:03 GMT+1)
.....
Mr John William Wraith
Chair of Trustee Governors

Steve Hussey
.....
Mr Steven Hussey
Trustee Governor

Company Registration No .04270330

Parayhouse School

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		403,810	239,740
Adjustments to cash flows from non-cash items			
Depreciation	8	36,642	32,789
Investment income	5	(2,999)	(2,646)
		437,453	269,883
Working capital adjustments			
Decrease in stocks	15	1,187	41
(Increase)/decrease in debtors	16	(25,611)	349,928
(Decrease)/increase in creditors	18	(10,945)	14,925
Decrease in deferred income	19	-	(347,123)
Net cash flows from operating activities		402,084	287,654
Cash flows from investing activities			
Interest receivable and similar income	5	2,999	2,646
Purchase of tangible fixed assets	14	(10,692)	(28,028)
Sale of tangible fixed assets		331	1,997
Net cash flows from investing activities		(7,362)	(23,385)
Cash flows from financing activities			
Repayment of capital element of lease obligations	20	(38,077)	(37,447)
Net increase in cash and cash equivalents		356,645	226,822
Cash and cash equivalents at 1 September		799,439	572,617
Cash and cash equivalents at 31 August		1,156,084	799,439

All of the cash flows are derived from continuing operations during the above two periods.

Parayhouse School

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the Trustee Governors is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Hammersmith and Fulham College
Gliddon Road
London
W14 9BL

These financial statements were authorised for issue by the Trustee Governors on 31st July 2021.

Charity information
Parayhouse School is a Non -Maintained Special School for children with learning disabilities:

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document. the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling. which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the *nearest* £.

The financial statements have been prepared under the historical cost convention, modified to Include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Trustee Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustee Governors continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance or their charitable objectives unless the fund have been designated for other purposes.

Restricted funds are subject to specific; conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in.the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after *any* performance conditions have been met. the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time *of* the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the School Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% straight line
Plant and machinery	25 % Straight line
Fixtures, fittings & equipment	25% Straight line
Motor vehicles	20% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset. and is recognised in net income/(expenditure) the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine tt1e extent of tt1e impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks. other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's ·balance sheet when the charity becomes party to the contractual provisions of the instrument. ··

Financial assets and liabilities are offset with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and,settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where tile transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets Classified as receivable within one year are not arr1ortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value. of the future payments discounted at a market rate of interest. Financial liabilities as payable within one year are not amortised·.
Debt instruments are subsequently carried at amortised cost. using the effective interest rate method

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities. if payment is due within one year or less. If not, they are presented as non-current liabilities trade creditors are recognised initially at transaction price and subsequently· measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled. ·

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. ·

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

l Accounting policies

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(Expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability. ·

2 Critical accounting estimates and judgements

In the application of the.charity's accounting policies, the Trustee Governors 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 Period.

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations from individuals	6,515	-	6,515	14,058
Grants, including capital grants;				
Government grants	643,044	54,960	698,004	520,192
	649,559	54,960	704,519	534,250

4 Income from charitable activities

	Unrestricted funds £	Total 2020 £	Total 2019 £
School fees receivable	972,335	972,335	1,122,168

5 Investment income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	2,999	2,999	2,646

6 Other income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Other income	20,550	20,550	581
Lunch money	15,560	15,560	23,352
Excursion money	315	315	1,937
Uniform income	1,178	1,178	2,022
	37,603	37,603	27,892

Included within other income is £20,000 (2019: £nil) relating to the recharge of 1:1 support from the local authority.

7 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Staff costs	11	790,641	-	790,681	894,344
Depreciation		-	20,811	20,811	20,935
Courses		33,814	-	33,814	36,339
Education materials		4,116	-	4,116	9,129
Sport costs		1,043	1,446	2,489	-
Functions and outgoings		5,926	-	5,296	14,761
Other expenditure		9,276	237	9.513	30,729
		844,815	22,494	867,309	1,006,237

8 Expenditure on support costs

	Note	Unrestricted funds £	Total 2020 £	Total 2019 £
Staff costs	11	68,154	68,154	56,590
Depreciation		15,831	15,831	11,854
School lunches		20,028	20,028	33,809
School uniform costs		2,473	2,473	3,113
Insurance		13,629	13,629	13,710
Caretaking costs		3,331	3,331	702
Hire of equipment		4,105	4,105	6,504
Motor costs		1,325	1,325	1,865
Rent and rates		63,056	63,056	60,000
Other resources expended		105,241	105,241	123,886
		297,173	297,173	312,033

9 Governance costs

	Note	Unrestricted funds £	Total 2020 £	Total 2019 £
Staff costs	11	137,076	137,076	117,226
Audit fees		7,200	7,200	7,200
Accountancy fees		4,888	4,888	4,519
		149,164	149,164	128,945

10 Trustee Governors remuneration and expenses

No Trustee Governors, nor any persons connected with them, have received any remuneration from the charity during the year. Additionally, no Trustee Governors have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	891,880	955,066
Social security costs	77,846	86,854
Pension costs	26,145	26,241
	995,871	1,068,161

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Average employees in year	35	36

Contributions to the employee pension schemes for the year totalled £26,145 (2019 - £26,241).

The number of employees whose emoluments fell within the following bands was:

	2020 No	2019 No
£60,001 - £70,000	1	-

The total remuneration of the key management personnel of the charity were £164,849 (2019 - £183,963).

The Co-headteacher, as the highest paid member of staff, received remuneration totalling £65,411 (2019 - £48,667).

12 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	7,200	7,200
Other fees to auditors		
All other non-audit services	4,888	4,519

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

14 Tangible fixed assets

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2019	158,143	113,255	30,172	301,570
Additions	(15,815)	26,507	-	10,692
Disposals	-	(441)	-	(441)
At 31 August 2020	142,328	139,321	30,172	311,821
Depreciation				
At 1 September 2019	43,487	99,176	18,103	160,766
Charge for the year	-	14,793	6,035	20,828
Eliminated on disposals	-	(110)	-	(110)
At 31 August 2020	43,487	113,859	24,138	181,484
Net book value				
At 31 August 2020	98,841	25,462	6,034	130,338
At 31 August 2019	114,656	14,079	12,069	140,804

15 Stock

	2020 £	2019 £
School uniforms	2,473	3,660

16 Debtors

	2020 £	2019 £
Trade debtors	22,239	-
Prepayments	3,764	2,882
Accrued income	486	-
Other debtors	2,485	481
	28,974	3,363

17 Cash and cash equivalents

	2020	2019
	£	£
Cash at bank	1,156,084	799,439

18 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	-	3,877
Hire purchase and finance leases	6,016	22,264
Other taxation and social security	23,562	27,786
Other creditors	7,520	1,239
Accruals	12,668	21,794
	49,766	76,960

19 Creditors: amounts falling due after one year

	2020	2019
	£	£
Hire purchase and finance leases	2,044	8,060

20 Obligations under finance leases

The total value of future minimum finance lease payments was as follows:

	2020	2019
	£	£
Within one year	6,016	23,881
In two to five years	2,044	8,176
	8,060	32,057
Less finance charges allocated to future periods	(116)	(1,733)
	7,944	30,324

21 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
Unrestricted funds	728,426	1,662,496	(1,291,152)	1,099,770
Restricted funds	133,823	54,960	(22,494)	166,289
Total funds	862,249	1,717,456	(1,313,646)	1,266,059

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2019 £
Unrestricted funds	523,225	1,652,097	(1,422,073)	(24,823)	728,426
Restricted funds	99,283	34,859	(25,142)	24,823	133,823
Total funds	622,508	1,686,956	(1,447,215)	-	862,249

22 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	5,958	124,380	130,338
Current assets	1,145,622	41,909	1,187,531
Current liabilities	(49,766)	-	(49,766)
Creditors over 1 year	(2,044)	-	(2,044)
Total net assets	1,099,770	166,289	1,266,059

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	38,186	102,618	140,804
Current assets	775,257	31,205	806,462
Current liabilities	(76,957)	-	(76,957)
Creditors over 1 year	(8,060)	-	(8,060)
Total net assets	728,426	133,823	862,249

23 Analysis of net funds

	At 1 September 2019 £	Financing cash flows £	At 31 August 2020 £
Cash at bank and in hand	779,439	356,645	1,136,084
Finance leases and hire purchase contracts	(30,324)	38,077	7,753
Net debt	749,115	394,722	1,143,837

	At 1 September 2018 £	Financing cash flows £	At 31 August 2019 £
Cash at bank and in hand	529,344	226,822	756,166
Finance leases and hire purchase contracts	(67,770)	37,447	(30,323)
Net debt	461,574	264,269	725,843