

**PACES SHEFFIELD**  
**(A company limited by guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**PACES SHEFFIELD****(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
*FOR THE YEAR ENDED 31 AUGUST 2021*

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| <b>Trustees</b>                  | Janet Baker (resigned 26 July 2021)<br>Norma Marie Brindley<br>Rachel Dodd (resigned 13 December 2021)<br>Mary France (resigned 7 March 2021)<br>Ruth Garbutt (appointed 28 January 2022)<br>Colin Harris<br>Walter Hirst (resigned 13 March 2021)<br>Anne Hoar (appointed 25 August 2021, resigned 1 March 2022)<br>Marion Hutchinson (appointed 22 March 2021, resigned 26 January 2022)<br>David Idle, Chair (appointed 22 March 2021)<br>Ann Rawlins Menzies-Blythe (resigned 26 July 2021)<br>Suzanne Munroe (resigned 1 July 2021)<br>Scott Sanderson (appointed 22 April 2022)<br>Anita Sandhal (resigned 24 May 2021)<br>Merewyn Charlotte Scafe (appointed 28 January 2022)<br>Ruth Smith (appointed 1 October 2021)<br>Harry Withers (appointed 22 April 2022) |
| <b>Company registered number</b> | 04793176   |
| <b>Charity registered number</b> | 1104356  |
| <b>Registered office</b>         | Unit 4<br>Smithy Wood Business Park<br>Smithy Wood Drive<br>Sheffield<br>S35 1QN   |
| <b>Company secretary</b>         | Kelly Broughton  |
| <b>Independent auditor</b>       | BHP LLP<br>Chartered Accountants<br>Statutory Auditor<br>2 Rutland Park<br>Sheffield<br>S10 2PD  |
| <b>Bankers</b>                   | Royal Bank of Scotland<br>5 Church Street<br>Sheffield<br>S1 1HF   |

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**PACES SHEFFIELD**

**(A company limited by guarantee)**

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**TRUSTEES' REPORT**

*FOR THE YEAR ENDED 31 AUGUST 2021*

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The trustees, who are all directors of the charitable company present their annual report on the affairs of the charitable company, together with the audited financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document (updated 22 September 2018), the Charities Act 2011 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 published in October 2019.

Since the company qualifies as small company (limited by guarantee) under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

***Structure, governance and management*****a. Constitution**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 22 May 2003. It is constituted under a Memorandum of Association dated 22 May 2003 and is a registered Charity number 1104356. Paces Sheffield Company Number is 04793176.

New Memorandum & Articles were adopted by Special Resolution by Charity Members at the Annual General Meeting (AGM) on 22 September 2018. Most significantly these new Charity Articles incorporate for the first time a Governance/Leadership framework for the School Governing Body (45.1-45.8.3). At this time the AGM also adopted new Trustee and Governor application forms; Trustee/Governor Application Protocol; Whistleblowing Policy for Charity Volunteers; Member, Trustee & Governor Privacy Notice; Membership Eligibility Statement; Membership Application form and Member Code of Conduct.

As the charitable company continues to develop both the School Governing Body and Trustee Board of Directors continue to focus on how the company's Articles of Memorandum & Association might be further enhanced and improved.

**b. Methods of appointment or election of Trustees**

The appointment of Trustees is in accordance with the new Memorandum and Articles adopted in Autumn 2018 (22 October). Trustees retire from office at the third annual general meeting, and at every subsequent third annual general meeting, the Trustees shall retire from office. If the Charity at the annual general meeting at which a Trustee retires by rotation, does not fill the vacancy, the retiring Trustee, shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Trustee is put to the meeting and lost.

Trustees can appoint a new Trustee at any time (subject to this not exceeding the maximum number of ten Trustees (including the Chair). A new Trustee appointed by the Trustees only holds office until the next AGM where they are re-appointed by resolution of the members. Once appointed at the AGM, the three-year cycle for retirement / re-appointment begins.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

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Structure, governance and management (continued)

c. Risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company and are satisfied that systems and procedures are in place to mitigate exposure to these major risks. The key risks are identified below along with steps put into place to mitigate those risks:

- **Loss of statutory funding** - Successive Governments commit to allocating additional funds for children with Special Educational Needs (SEN) especially those with Education, Health and Care (EHC) plans – all children attending Paces school receive an EHC plan. There is significant unmet demand for SEN school places for physical disability both nationally and regionally. Paces Management Team work in close partnership with local authority officers and families to proactively secure SEN places for children and to ensure continuity of provision every year. Paces charges remain comparatively competitive in the SEN sector when compared to other providers.
- **Availability of adequately trained staff** – Through personal development and an ongoing culture of support and encouragement, Paces seeks to support staff to develop and grow within the organisation, in an aim of supporting our longer-term development and growth strategy.

We maintain good relations with external training providers and offer placements to trainees where able. Support staff skills are developed internally. Our School and Adult provision has an active program of internal and external training provisions including; OCN training (led by the School's accredited Deputy Headteacher), Teacher QTS and Conductor training, together with support for Degree Level studies where deemed essential. A reduced service would be actioned as a last resort.

- **Loss of key management staff** – We value all staff as key stakeholders in the Charity's future, and consult and involve key staff in planning the organisational structure and identifying their role to support succession planning and to promote staff loyalty and wellbeing. Over the last year we have invested in our HR function to ensure effective running of the organisation and that our HR systems are fit for purpose for projected growth of the organisation over the next two years. Paces receives support through an external HR consultant to help ensure we recruit, train and retain the highest calibre of employees within our means.

We believe we have a unique offering that helps us to recruit and retain staff; which is the desire to support children, adults and families.

- **Failure to recruit Trustees** – The Charity has currently 8 appointed/serving Trustees (out of a possible 10 available positions as listed in Memorandum & Articles). The Trustee board always works carefully to fill any vacant Trustee role. Specifically, at this time we are seeking to add Trustee expertise in health and safety, finance, disability, health and social care and change management / business development.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

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**Structure, governance and management (continued)**

- **Covid-19 Pandemic** – The Covid-19 pandemic continues to pose challenges and creates new and ongoing risks to the Charity, both in terms of delivery and impact on finances.

We are proud of our proactive response to the pandemic which has ensured continual delivery of children's, adult and family services throughout the pandemic. Trustees and Senior Leadership Team colleagues have worked hard to develop effective and clear service delivery responses to challenges raised.

Our fundraising team developed a grants strategy for when corporate, community and event fundraising has been impacted by Covid restrictions and we operate regular Finance & Remuneration and Trustee Board meetings to address risk. Trustees and Charity Management Team work closely to respond to the key demands and issues faced.

**Objectives and activities**

**Paces' Charitable Object:** To promote the care, welfare, interest, treatment and education of persons with motor dysfunction in particular by the promotion and provision of facilities for Conductive Education.

**Paces' Mission:**

- Supporting children with disabilities into independent adulthood as active citizens, especially those with cerebral palsy and particularly through Conductive Education.
- Supporting young people with disabilities to transition to adulthood by offering ongoing support to young adults leaving Paces School (and others settings) and to support young adults to access external training, college and employment; or life-long learning in an aim of developing and maintaining independence.
- To deliver programmes of support for adults that focus on improving and/or avoiding the deterioration of physical and cognitive abilities; supporting adults to live independent lives.

**Paces' Vision:** To be a Centre of Excellence and Specialist Resource for children, adults and their families, also for those working with children and adults with physical and related learning difficulties of a neurological condition (typically cerebral palsy). Providing leadership in the field of Conductive Education including partnering with others.

Paces has, and holds, certain core values in everything we do:

**Innovative:** We will;

- Be alert to changes in need and be positive about change
- Pilot innovative projects and be passionate about communicating and celebrating success so they can be taken further by others
- Search out and promote new ideas and best practice

**Inclusive:** We will;

- Value the contribution others can make, and we will take time to consult and listen to their views
- Be responsive to requests for support and suggestions for developing what we do
- Involve stakeholders in shaping what we do
- Promote diversity and equality of opportunity
- Partner with other agencies and organisations to help develop services of benefit.

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## **PACES SHEFFIELD**

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### **TRUSTEES' REPORT (CONTINUED)** *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### **Objectives and activities (continued)**

**Honest:** We will;

- Be respectful and fair
- Consistent in taking a non-partisan / non-judgmental approach
- Be clear and accountable for our work ensuring best value and high standards of service delivery
- Make the best use of resources available to us in a business like and transparent manner

**Responsible:** We will;

- Always consider the impact of our work on others
- Be aware of the wider environmental and social impact of our work
- Provide leadership by setting good examples and contributing positively

#### ***Achievements and performance***

##### **a. Review of activities**

Paces Sheffield is a leading specialist centre for both children and adults with cerebral palsy and other motor disorders. Our Charity and services focus on Ability not Disability.

As at 31st August 2021 Paces School had 39 pupils on roll, 34.5 FTE and in our most recent DfE Inspection (Spring 2019) has been rated as 'Outstanding' in one key category, and 'Good' in a further 3 key inspection areas. Together with our highly rated Adult Service provision – including Adult Sessional programs supporting Stroke, and Parkinson's clients – Paces Sheffield has an ever-growing reputation for both excellence and national leadership in the highly specialist provision of Conductive Education (CE).

Conductive Education is a holistic integrated pedagogical / educational approach, which enables people with damage to the central nervous system to learn to overcome the challenges they face. It is an approach which is primarily suitable for people with neurological conditions such as cerebral palsy, Parkinson's disease, Multiple Sclerosis, Stroke, acquired head injury and Dyspraxia. Neurological conditions create a wide range of developmental challenges, which can involve areas of gross and fine movement, perception, cognition, social skills, emotional development, speech, language and communication. These in turn can significantly affect motivation, confidence and personality. Ultimately it is the whole personality that is impacted by such conditions.

##### **Paces Vision 'A New Home For Paces'**

Paces has been based at Paces Campus (community centre) as a tenant since 1997. The campus is fully occupied. Due to spatial restriction, growth in Special Educational Needs (SEN) school places cannot be accommodated.

There is significant unmet demand for SEN school places for physical disability both nationally and regionally. The number of pupils with Special Educational Needs (SEN) continues to climb. Action Cerebral Palsy identified a significant lack of specialist educational support to help children with motor disorders to develop to their fullest potential.

Paces School operates at full capacity, with no room for growth to meet demand. Paces 'Children in Need' funded Outreach Programme supports 21 children aged 0-4, many of whom families want to transition to Paces School. Due to space restriction at Paces Campus, we do not have the ability to place children in school. We make incredibly difficult decisions on which children secure places; resultantly children often attend other provision often unsuitable for their needs.

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## **PACES SHEFFIELD**

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### **TRUSTEES' REPORT (CONTINUED)** *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### **Achievements and performance (continued)**

Due to significant demand for both school places and for adult services provision, Paces Trustees took the decision in 2018 to consider options for accommodation away from Paces Campus. For over three years Paces Trustees and Management Team have worked on developing a vision to provide high quality service provision to support a larger number of adults and children with physical disabilities.

Following capital investment Paces moved into new adult service and charity management team facilities at Smithy Wood Business Park in March 2021; trebling our capacity to support adults.

In 2019 Paces identified a building which had previously been used as a school academy (Thornccliffe Hall) which with refurbishment will provide a high-quality learning environment for children of all ages; completing our vision of creating a 'New Home and Centre of Excellence' for all of our beneficiaries. Thornccliffe Hall will accommodate:

- A 60 FTE place SEN school (Supporting 80 school children p.a.)
- An Outreach Programme, supporting 40 children (0-4yrs).
- Paces Family Services Team
- An adapted life skills kitchen and a state-of-the-art sensory room.
- Classrooms with adjoining adapted bathroom / toileting facilities.
- A fully inclusive play area.

Over the last two years Paces has worked with Triodos Corporate Finance (an advisory arm of Triodos Bank) to develop a social lending funding package (through a crowdfunded bond) to meet the aspiration of providing new facilities for children, adults and their families. Thornccliffe Hall will require significant internal and external structural alterations to create a high-quality environment for pupils.

The bond offer was launched in June 2021 and successfully raised £1.5m; which along with raising further capital funding post year end through grant making trusts and corporate, community and event fundraising enables us to deliver a full refurbishment of Thornccliffe Hall.

A full 8-year revenue business plan for the whole charity has been developed; based on incremental growth of children's and adult services. School and adult provision is projected to grow sustainably over the first 5 years of the business plan, helping to meet some of the demand for specialist educational support for children and adults with physical disability. We are programmed to move into the new school premises in September 2022.

Paces Sheffield continues to strive to support and help both young people and adults gain the very best Conductive Education programs – specifically tailored to the needs of each individual. We are particularly proud of the fact that each child and adult here at Paces benefits from a bespoke and individually focused program, tailored for an individual's own specific needs and requirements.

Over the last financial year our School, Adult Services, and additional service offers such as Outreach, Family Services and Summer School provisions, have continued to benefit from significant increased investment and support.

#### **Paces School**

Our School continues its hugely positive development under the excellent leadership of our Headteacher. During the year the School's staffing team has grown to accommodate an additional 3 FTE places, including the successful appointment of 2 conductors and one experienced SEND teacher. We secured a license extension from the DfE to enable us to support the equivalent of 45 full time pupils which will enable us to continue to expand in our existing school building. (As at 31 August 2021 we supported 39 pupils on roll, equating to 34.5 FTE places).



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**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 AUGUST 2021*

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**Achievements and performance (continued)**

A particular focus has been placed on staff training and development and a number of teaching staff have benefited from additional courses aimed to improve the quality of teaching even further across the school. With the continued additional numbers of pupils wishing to join the School, space is very much at a premium and school Governors, with the support of Trustees, are absolutely committed to progressing much enhanced facilities for the school through our 'New Home for Paces' campaign. Further additional staffing resource has also been added throughout this last financial year with new Lunchtime Support Workers, a School Family Services Officer, and extra Speech and Language therapy support joining the school staff team.

There has been continued focus on the quality of our education offer and we have established a relationship with the WJEC exam board allowing all pupils at Paces to work towards and gain appropriate qualifications. Enhanced subject leadership and development of middle leaders across school has meant that our planning as well as teaching and learning continues to develop to better meet the needs of our pupils. Additional use of technology ensures pupils are able to fully access their curriculum successfully.

Throughout the Covid pandemic attendance of pupils at Paces was high as the school remained open during each of the lockdowns. Those pupils who did not attend school were well supported by a remote learning offer developed by the teacher conductors minimizing the negative impact of the pandemic on the pupil's education.

**Paces Outreach Programme**

Our Outreach programme continues to be a success with an increasing number of families accessing our offer. As of 31st of August we supported approximately 20 families. Covid 19 presented some challenges to the delivery of our service and resulted in the offer of remote session to families rather than face to face sessions. However, these sessions were extremely effective, and parents were grateful for the continued support we were able to offer. Due to the high demand for places our intention is to provide additional sessions for an increasing number of families to access from September 2022.

**Paces Family Services**

Our Family Support Worker has successfully completed all the necessary training to become part of the safeguarding team within school. Support to parents with younger children attending Outreach is provided with regards to creating EHCP plans that accurately reflect the needs of the child. Parents of pupils in school are supported with the annual review and in addition to this signposting to relevant and possible sources of financial help is another key part of the service. Our Family Service worker also liaises regularly with social care and health providers on behalf of our pupils and their families.

**Paces Summer School**

In August 2021 we ran an extremely successful summer school with 15 pupils attending. Numbers were affected by the pandemic however, pupils had a very enjoyable week engaging in a range of Conductive Education programmes as well as a range of activities delivered by external professionals and visitors. The provision also provides much needed respite for parents.

**Adult Services**

Moving to new premises (Smithy Wood Business Park) in March 2021 has enabled us to support a larger number of adults and allows for further longer-term growth.

The new facility offers the adult team 8,000 square feet of space – is an exciting development which will allow the provision to grow even further. This new Adult provision facility is a considerable investment by the Charity in our Adult Services, with initial fit-out costs of £164,816, the Smithy Wood centre will help grow our Adult Service offer steadily over the years ahead.

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## **PACES SHEFFIELD**

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### **TRUSTEES' REPORT (CONTINUED)** *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### **Achievements and performance (continued)**

Our adult service provision has grown and developed steadily since our move. During the year we have increased our Adult Day Service client numbers by 6, represented as an increase of 3.6 FTE and as at 31st August 2021 we were supporting 13 clients, 8.4 FTE in total.

Our Adult Sessional Programme has been impacted by the pandemic, but this gave opportunity to develop a widely accessed 'online' offer to both our own existing clients and also new clients across the country. The addition of new senior staff colleagues including a Conductor Consultant (part-time 1.5 days per week) and Adult Service Manager (full-time) continue to offer even better resource, staffing and expertise to the Adult Service.

#### **Fundraising and supporters**

As always, the trustees would like to take this opportunity to thank most sincerely all those grant funders and many supporters – both locally, regionally and nationally - who have helped sustain and advance the ambitions of our children, adults, parents and staff here at Paces.

Your support and help have no doubt helped our School, Adult provision and Charity to become an even more inspirational teaching and educational environment during this past year.

Our Fundraising Team have worked exceptionally hard, despite the challenges they faced due to the Covid-19 Pandemic. Many events were cancelled and the corporate and community fundraising environment has significantly changed. Our strategy changed throughout the year and we put further resource into trust and grant applications to help fund towards our 'New Home for Paces' appeal.

We are incredibly thankful for the donations which we have received through Trusts and grants, corporate and community donations, events, sponsorship of rooms and individual giving. We would like to thank each and every one of our donors for their generosity and support throughout these turbulent times.

We value every donation from all of our supporters and it is important to note that 31% of our fundraising efforts comes from smaller donors.

We would also like to thank larger donors, including:

The Julia & Hans Rausing Trust  
BBC Children in Need  
Charities Aid Foundation  
West Riding Masonic Charities Limited  
Masonic Charitable Foundation  
Irwin Mitchell  
Jenx Limited  
Switalskis Solicitors  
Volant Charitable Trust  
National Lottery – Awards for All  
Sheffield Grammar School Exhibition Foundation  
South Yorkshire Community Foundation  
The Kirkby Foundation  
The Screwfix Foundation  
29th May 1961 Charity  
Tobias Weller BEM  
Lennie Street

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### **TRUSTEES' REPORT (CONTINUED)** *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### **Achievements and performance (continued)**

Jack Mitchell  
Alex Mettam

We are incredibly thankful that our children and adults are so passionate about our 'New Home for Paces' appeal and have taken on some outstanding fundraising challenges to show their support.

Trustees and all members of the Paces wider family commend in the very highest order Tobias Weller BEM, Lennie Street, Jack Mitchell and Alex Mettam for their simply incredible accomplishments.

**Tobias Weller BEM** – During the pandemic, Tobias set himself the challenge of walking the distance of a marathon and went on to undertake a series of fundraising events to raise funds for Paces and Sheffield Children's Hospital Charity. Tobias has won many awards since taking on his challenges including, the BBC's Young Unsung Hero Sports Personality of the Year and more recently recognised by The Queen on the New Year Honours List and was awarded a British Empire Medal.

**Lennie Street** – Our musical superstar! Lennie spent time during lockdowns playing the most incredible tunes on his piano in return for donations and was recognised internationally by many celebrities including Gary Barlow, Rufus Wainwright, Mark Hamill and Tim Peake.

**Jack Mitchell** – Our young entrepreneur set up his own woodwork business to help support our fundraising appeal by making and selling stunning wooden works of art!

**Alex Mettam** – Alex and his family supported Paces by planning fundraising events and generously sponsored a number of classrooms in our new school.

#### **Fundraising Team Composition**

We now have an established and dedicated fundraising team which is led by our Head of Fundraising and Communications, who has recently joined the Senior Management Team. We also have a Corporate Partnership's Manager, a Community Engagement and Volunteer Coordinator and Trust and Grants Officer.

Our Community Engagement and Volunteer Coordinator has put great effort into developing a volunteer programme to recruit volunteers to build additional capacity within the fundraising team. These efforts have been essential in our ability to host larger events which has extended fundraising opportunity.

#### **Paces School Parent & Teacher Association (PTA)**

The Charity remains particularly grateful to all our school parents and families for their ongoing and most generous support. In this last financial period, the Trustees are very pleased to report that our parent led PTA continues to support the school with ongoing exciting events, which not only offer valuable social gatherings for our pupils and families but have brought in considerable additional monies for the school for which the Trustees are thankful. Covid 19 has meant that events have been difficult to plan and organise over the past 12 months. Instead online events and raffles replaced the usual schedule of fundraising activities. Members of the PTA look forward to organising the more usual face to face events when Covid restrictions permit.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Achievements and performance (continued)**

**b. Fundraising activities and income generation**

**Approach to Fundraising**

As stated, Paces Sheffield has a dedicated team of 4 full-time and part-time Fundraising Department Staff. The Team currently includes a Head of Fundraising and Communications, Corporate Partnerships Manager, Community Engagement and Volunteer Co-ordinator, Trust and Grants Officer.

**Commercial Fundraisers**

The Charity does not employ and has never employed commercial fundraisers. In particular, the Trustees would not support the paying of third-party commercial organisations to fundraise on Paces Sheffield behalf.

**Fundraising Conforming to Recognised Standards**

The Charity has a Trustee adopted Fundraising Policy, Fundraising Strategy and Cash Donations Procedure. All aspects of the way the Fundraising Team operates refers to our Funding Regulator accreditation.

**Fundraising Complaints**

We have not had to date any Fundraising Complaints.

**Protection of Public from Unreasonably Intrusive Approaches**

The Charity does not mailshot members of the public, and would never 'chase' donors in search of funds. This would be contrary to the expressed articles and objects of the way our Charity is governed and led – both by Trustees, Governors and Staff. Such approaches would also be in breach also of our adopted GDPR Standards, which are led by our Independent Data Protection Officer (Bruce & Butler, Sheffield).

**Data Protection**

The Charity employs an external Data Protection Officer (DPO) and throughout this financial year has continued to make significant progress in the ways that all data is held and processed by the organisation.

**Financial review**

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**TRUSTEES' REPORT (CONTINUED)**

*FOR THE YEAR ENDED 31 AUGUST 2021*

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**a. Going concern**

The trustees have considered the level of funds held and expected level of income and expenditure and forecasted cash flow for the period to 31 August 2023 and have applied various scenarios to stress test these forecasts. The budgeted income and expenditure is expected to be sufficient with the level of reserves for the charity to be able to continue as a going concern.

Paces' capital development plans have been developed over a two and a half year period to not only provide disability support provision for a greater number of children and adults, but importantly to support our financial stability in the longer term.

The Trustees acknowledge that the development of Thorncliffe Hall will provide challenges to the organisation, but feel they have managed risk throughout, through Finance and Remuneration meetings, Capital Projects Meetings and full Trustee meetings.

The bond raised through Triodos Bank for £1.5m has financed the majority of the Thorncliffe Hall strategic plan with the remaining funds required for the project being in the process of being raised through a strategic fundraising plan.

**b. Review of the financial period**

Income from charitable activities amounted to £1,102,376 (2020: £1,339,673). Other income, including income from donations and other incoming resources, was £915,158 (2020: £1,014,423) giving total income for the year of £2,017,534 (2020: £2,354,096).

Total expenditure for the year was £1,916,884 (2020: £2,221,139) giving net income of £100,650 (2020: £132,957).

\*Please note for reference: our last financial period (ended 31.8.20) represented a 17-month financial accounting period as the organisation changed its financial year end to align with the school academic year.

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**TRUSTEES' REPORT (CONTINUED)**

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**c. Reserves policy**

Total funds carried forward are £651,979 (2020: £551,329) of which £105,652 (2020: £112,125) are restricted funds and £546,327 (2020: £439,204) are unrestricted funds.

Of the unrestricted funds £422,788 (2020: £70,397) have been designated, representing the net book value of fixed assets.

Free reserves as at 31 August 2021 were £123,539 (2020: £368,807). These are the funds available for the charity net of any fixed assets, loans associated with them, designated and restricted funds.

Our previous accounting period had a higher level of freely available reserves at the year ended (31.8.2020). Since that period of those freely available reserves £164,816 has been expended on the refurbishment of our Adult Services and Charity Management Premises at Smithy Wood, (costs of which has now been fully expended). Development of these premises was fundamental to the growth of our adult service provision and part of our business plan to increase contractual service income provision and to support our longer-term financial sustainability. Knowing of this projected expenditure, Trustees agreed a policy for the charity to maintain a minimum level of reserves (excluding funds not otherwise committed or restricted) and that minimum is 1 month with the aim of achieving 3 months of budgeted expenditure in the longer term. Current free reserves sit at 24 days of expenditure.

Our fundraising ability was also impacted throughout the pandemic and although we have been able to offset the majority of our community and corporate fundraising losses with grants, there has been some impact.

**d. Public Benefit**

In planning and delivering our services and activities, the trustees and management of Paces Sheffield have given due regard to the need to ensure that the school provides public benefit – following the Charity Commission's guidance on these matters. Details of how the charity has carried out its activities for the public benefit are given under the review of activities part of this report.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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#### Plans for future periods

##### Governance Teams and Management Structure

In November 2021 the Paces CEO left the organisation to pursue new opportunities.

Between December 2021 and January 2022, the Trustees reconsidered the future vision for Paces, adopting a flatter and more inclusive Senior Management Team structure and new governance subcommittees with representation from Trustees and the Senior Management Team in each subcommittee, reporting to the Trustee board.

The sub committees are as follows:

- Governance
- Finance and Remuneration
- Audit and Risk
- Property and Health and Safety
- Partnerships and External Publicity

The intention of the new Senior Management Team structure and governance subcommittee is to create closer working and joined up thinking between the Trustees and Paces Management Team.

Three Senior Team Management roles have been established as part of new structuring:

- **Head of Conductive Education;** The role has delivery responsibility for Paces School, Paces Outreach Programme, Paces Adult Services Provision, Paces Transitions to Adulthood Programme and Paces Family Services. The new role has placed a better focus on sharing resources across all areas of Conductive Education delivery.
- **Head of Operations;** with overall responsibility for Human Resources, Administration, Health and Safety, Finance, Grant Funding and IT.
- **Head of Fundraising and Communications;** with responsibility for General Fundraising, Community Events and Marketing and Communications.

In keeping with our succession planning and culture of developing staff from within the organization, all three Senior Management Team posts have been filled internally by members from the management team, this has led to a seamless transition from the post of CEO which has now been dissolved.

##### Future Premises

The Trustees together with the Senior Management team, continue to seek growth in the organisation in order to bring benefit to as many children, adults and families as possible, within the constraints of financial viability.

To that aim our Charity Offices and Adult Service provision moved to a new and bespoke facility at the Smithy Wood Business Park on 8 March 2021 to commence the transition of the whole organisation into much improved accommodation.

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**PACES SHEFFIELD****(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Plans for future periods (continued)**

The pre-development, approval and financing stages of Thorncliffe Hall 'New Home for Paces School' are now complete and following a full refurbishment we will be moving into the new premises at the start of the next financial year (1 September 2022 – 31 August 2023) completing our vision of creating a new home for all of our beneficiaries.

**Statement of Trustees' responsibilities**

The trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that 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.

**Disclosure of information to auditor**

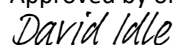
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all the 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.

**Auditor**

The auditor, BHP LLP, has indicated their willingness to continue in office. The trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees and signed on their behalf by:



David Idle (May 6, 2022 16:40 GMT+1)

**David Idle**

Chair

Date: May 6, 2022



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD**

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**Opinion**

We have audited the financial statements of Paces Sheffield (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law 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 2021 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD (CONTINUED)**

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**Other information**

The other information comprises the information included in the trustees' report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of our 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' 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 directors' report and from the requirement to prepare a strategic report.

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**PACES SHEFFIELD**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations relevant to the charity which could give rise to a material misstatement in the financial statements. These laws and regulations include, but are not limited to, those issued by or relating to Ofsted, ESFA, GDPR, Safeguarding and Health and Safety. Our testing included discussions with management with direct responsibility for the compliance of laws and regulations, agreeing financial statement disclosures to underlying supporting documentation, and reviewing Ofsted reports. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

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**PACES SHEFFIELD**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD (CONTINUED)**

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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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*BHP LLP*

[Jane Marshall \(May 9, 2022 10:33 GMT+1\)](#)

**Jane Marshall (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

Chartered Accountants

Statutory Auditor

2 Rutland Park

Sheffield

S10 2PD

Date: May 9, 2022

**PACES SHEFFIELD**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

|   |      | Unrestricted<br>funds | Restricted<br>funds | Total<br>funds   | Total<br>funds<br>17 months<br>2020 |
|---|------|-----------------------|---------------------|------------------|-------------------------------------|
|   | Note | 2021<br>£             | 2021<br>£           | 2021<br>£        | 2020<br>£                           |
| <b>Income from:</b>                         |      |                       |                     |                  |                                     |
| Donations and legacies                      | 2    | 560,791               | 320,791             | 881,582          | 990,455                             |
| Charitable activities                       | 3    | 1,102,376             | -                   | 1,102,376        | 1,339,673                           |
| Other income                                | 4    | 33,576                | -                   | 33,576           | 23,968                              |
| <b>Total income</b>                         |      | <b>1,696,743</b>      | <b>320,791</b>      | <b>2,017,534</b> | <b>2,354,096</b>                    |
| <b>Expenditure on:</b>                      |      |                       |                     |                  |                                     |
| Raising funds                               | 5    | 215,813               | -                   | 215,813          | 171,346                             |
| Charitable activities                       | 6    | 1,425,716             | 275,355             | 1,701,071        | 2,049,793                           |
| <b>Total expenditure</b>                    |      | <b>1,641,529</b>      | <b>275,355</b>      | <b>1,916,884</b> | <b>2,221,139</b>                    |
| <b>Net income</b>                           |      | <b>55,214</b>         | <b>45,436</b>       | <b>100,650</b>   | <b>132,957</b>                      |
| Transfers between funds                     | 16   | 51,909                | (51,909)            | -                | -                                   |
| <b>Net income and net movement in funds</b> |      | <b>107,123</b>        | <b>(6,473)</b>      | <b>100,650</b>   | <b>132,957</b>                      |
| <b>Reconciliation of funds:</b>             |      |                       |                     |                  |                                     |
| Total funds brought forward                 |      | 439,204               | 112,125             | 551,329          | 418,372                             |
| Net movement in funds                       |      | 107,123               | (6,473)             | 100,650          | 132,957                             |
| <b>Total funds carried forward</b>          |      | <b>546,327</b>        | <b>105,652</b>      | <b>651,979</b>   | <b>551,329</b>                      |

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

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**PACES SHEFFIELD****(A company limited by guarantee)**REGISTERED NUMBER: 04793176

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**BALANCE SHEET****AS AT 31 AUGUST 2021**

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|   | Note | 2021<br>£          | 2020<br>£ |
|---|------|--------------------|-----------|
| <b>Fixed assets</b>                                     |      |                    |           |
| Tangible assets   | 12   | <b>422,788</b>     | 70,397    |
|   |      | <b>422,788</b>     | 70,397    |
| <b>Current assets</b>                                   |      |                    |           |
| Debtors   | 13   | <b>152,544</b>     | 136,227   |
| Cash at bank and in hand                                |      | <b>1,952,640</b>   | 519,694   |
|   |      | <b>2,105,184</b>   | 655,921   |
| Creditors: amounts falling due within one year          | 14   | <b>(375,993)</b>   | (174,989) |
| <b>Net current assets</b>                               |      | <b>1,729,191</b>   | 480,932   |
| <b>Total assets less current liabilities</b>            |      | <b>2,151,979</b>   | 551,329   |
| Creditors: amounts falling due after more than one year | 15   | <b>(1,500,000)</b> | -         |
| <b>Total net assets</b>                                 |      | <b>651,979</b>     | 551,329   |
| <b>Charity funds</b>                                    |      |                    |           |
| Restricted funds  | 16   | <b>105,652</b>     | 112,125   |
| Unrestricted funds                                      | 16   | <b>546,327</b>     | 439,204   |
| <b>Total funds</b>                                      |      | <b>651,979</b>     | 551,329   |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*David Idle*

David Idle (May 6, 2022 16:40 GMT+1)

**David Idle**

(Chair of Trustees)

Date: May 6, 2022

The notes on pages 22 to 45 form part of these financial statements.

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**PACES SHEFFIELD**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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|   | <b>Note</b> | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|---|-------------|-------------------|-------------------|
| <b>Cash flows from operating activities</b>             |             |                   |                   |
| Net cash provided by operating activities               | 19          | <b>329,464</b>    | 291,675           |
|   |             | <hr/>             | <hr/>             |
| <b>Cash flows from investing activities</b>             |             |                   |                   |
| Purchase of tangible fixed assets                       |             | <b>(396,518)</b>  | (60,017)          |
|   |             | <hr/>             | <hr/>             |
| <b>Net cash used in investing activities</b>            |             | <b>(396,518)</b>  | <b>(60,017)</b>   |
|   |             | <hr/>             | <hr/>             |
| Cash inflows from new borrowing                         |             | <b>1,500,000</b>  | -                 |
| <b>Change in cash and cash equivalents in the year</b>  |             | <b>1,432,946</b>  | <b>231,658</b>    |
| Cash and cash equivalents at the beginning of the year  |             | <b>519,694</b>    | 288,036           |
|   |             | <hr/>             | <hr/>             |
| <b>Cash and cash equivalents at the end of the year</b> | 20          | <b>1,952,640</b>  | 519,694           |
|   |             | <hr/> <hr/>       | <hr/> <hr/>       |

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Paces Sheffield meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling, which is the functional currency of the charity and rounded to the nearest £.

**1.2 Company status**

The Charity is a private company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

**1.3 Going concern**

The trustees have considered the level of funds held and expected level of income and expenditure and forecasted cash flow for the period to 31 August 2023 and have applied various scenarios to stress test these forecasts. The budgeted income and expenditure is expected to be sufficient with the level of reserves for the charity to be able to continue as a going concern.

Paces' capital development plans have been developed over a two and a half year period to not only provide disability support provision for a greater number of children and adults, but importantly to support our financial stability in the longer term.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.4 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income includes grant income received from the Government to cover the salaries of furloughed employees through the Coronavirus Job Retention Scheme. This is included on a receivable basis.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.5 Expenditure**

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

Raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

**1.6 Intangible fixed assets and amortisation**

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

|                                  |                          |
|----------------------------------|--------------------------|
| Leasehold improvements           | - 2.5 years/ 8 years     |
| Smithy Wood                      | - 10 years straight line |
| Fixtures, fittings and equipment | - 5 years straight line  |
| Computer equipment               | - 3 years straight line  |

**1.8 Debtors**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.9 Cash at bank and in hand**

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

**1.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**1.11 Financial instruments**

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.12 Pensions**

The charity does not administer a pension scheme. Contributions represent payments by the charity on behalf of an employee to a defined contribution scheme.

**1.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.14 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

There were no critical accounting estimates or assumptions this year that are deemed to be material in nature to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

***1.15 Employee benefits***

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

***1.16 Licence to occupy***

The service charges in relation to the licence held by the charity to occupy the premises from which it operates are charged to the SOFA in the period to which they relate.

**PACES SHEFFIELD**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**2. Income from donations and legacies**

|  | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Restricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--|--|--|---------------------------------------|---------------------------------------|
| ESFA maintenance grant                   | -  | 25,342                                     | <b>25,342</b>                         | 28,142                                |
| ESFA PE sports equipment grant           | -  | 16,220                                     | <b>16,220</b>                         | 20,773                                |
| ESFA free school meals grant             | -  | 4,412                                      | <b>4,412</b>                          | 13,183                                |
| ESFA funding                             | 331,000                                      | -  | <b>331,000</b>                        | 461,833                               |
| School meals                             | 6,217  | -  | <b>6,217</b>                          | 4,520                                 |
| ESFA teachers pay grant                  | -  | 6,999                                      | <b>6,999</b>                          | 9,984                                 |
| ESFA teachers pension grant              | -  | 19,398                                     | <b>19,398</b>                         | 19,398                                |
| Pupil premium                            | -  | 22,704                                     | <b>22,704</b>                         | 28,100                                |
| COVID-19 funding                         | -  | -  | -                                     | 140,021                               |
| Lennie Street                            | 4,107  | -  | <b>4,107</b>                          | -                                     |
| Henry Smith                              | -  | -  | -                                     | 25,000                                |
| Tobias Weller                            | 72,638                                       | -  | <b>72,638</b>                         | -                                     |
| Edward Gostling Foundation               | -  | -  | -                                     | 5,000                                 |
| Children In Need                         | -  | 33,534                                     | <b>33,534</b>                         | 51,948                                |
| Jack Mitchell                            | 4,907  | -  | <b>4,907</b>                          | -                                     |
| Switalskis                               | 9,117  | -  | <b>9,117</b>                          | 785                                   |
| West Riding Masonic Charities Limited    | -  | 29,280                                     | <b>29,280</b>                         | 10,000                                |
| National Lottery - Awards For All        | -  | 6,900                                      | <b>6,900</b>                          | 6,640                                 |
| St James Place                           | -  | -  | -                                     | 5,902                                 |
| Ecclesfield PC                           | -  | -  | -                                     | 2,796                                 |
| The Hedley Foundation                    | -  | -  | -                                     | 2,762                                 |
| Other Grants                             | -  | 34,822                                     | <b>34,822</b>                         | 17,139                                |
| Alex Mettham                             | 6,202  | -  | <b>6,202</b>                          | -                                     |
| Other fundraising events                 | -  | -  | -                                     | 17,453                                |
| Other donations                          | 89,103                                       | -  | <b>89,103</b>                         | 119,076                               |
| SYCF                                     | -  | 5,000                                      | <b>5,000</b>                          | -                                     |
| The Julia & Hans Rausing Trust           | -  | 26,160                                     | <b>26,160</b>                         | -                                     |
| Charities Aid Foundation Resilience Fund | -  | 42,900                                     | <b>42,900</b>                         | -                                     |
| Kirkby Foundation                        | -  | 5,000                                      | <b>5,000</b>                          | -                                     |
| Volant Charitable trust                  | -  | 7,320                                      | <b>7,320</b>                          | -                                     |
| <b>balance c/f</b>                       | <b>523,291</b>                               | <b>285,991</b>                             | <b>809,282</b>                        | <b>990,455</b>                        |

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**PACES SHEFFIELD****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Income from donations and legacies (continued)**

|                                   | Unrestricted<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ | Total<br>funds<br>2020<br>£ |
|-----------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| balance b/f                       | 523,291                            | 285,991                          | <b>809,282</b>              | 990,455                     |
| Screwfix                          | -                                  | 5,000                            | <b>5,000</b>                | -                           |
| Sheffield Grammar School          | -                                  | 5,000                            | <b>5,000</b>                | -                           |
| Sheffield Mutual                  | 5,000                              | -                                | <b>5,000</b>                | -                           |
| Arctic Monkeys                    | 5,000                              | -                                | <b>5,000</b>                | -                           |
| Irwin Mitchell                    | 12,500                             | -                                | <b>12,500</b>               | -                           |
| Jenx Ltd                          | 10,000                             | -                                | <b>10,000</b>               | -                           |
| John Sykes                        | 5,000                              | -                                | <b>5,000</b>                | -                           |
| The 29th May 1961 Charitable Fund | -                                  | 5,000                            | <b>5,000</b>                | -                           |
| Masonic Charitable Foundation     | -                                  | 19,800                           | <b>19,800</b>               | -                           |
| <b>Total 2021</b>                 | <b>560,791</b>                     | <b>320,791</b>                   | <b>881,582</b>              | 990,455                     |
| Total 2020                        | 601,696                            | 388,759                          | 990,455                     |                             |

**3. Income from charitable activities**

|                     | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ | Total<br>funds<br>2020<br>£ |
|---------------------|------------------------------------|-----------------------------|-----------------------------|
| Children's services | 950,053                            | <b>950,053</b>              | 1,168,467                   |
| Adult services      | 150,108                            | <b>150,108</b>              | 167,036                     |
| Adult Sessional     | 2,215                              | <b>2,215</b>                | 4,170                       |
|                     | <b>1,102,376</b>                   | <b>1,102,376</b>            | 1,339,673                   |
| Total 2020          | 1,339,673                          | 1,339,673                   |                             |

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**4. Other income**

|  | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--|--|---------------------------------------|---------------------------------------|
| Coronavirus Job Retention Scheme grants received | 33,501                                       | <b>33,501</b>                         | 23,132                                |
| Other income                                     | 75   | <b>75</b>                             | 836                                   |
|  | <u>33,576</u>                                | <u><b>33,576</b></u>                  | <u>23,968</u>                         |
| Total 2020                                       | <u>23,968</u>                                | <u>23,968</u>                         |                                       |

**5. Expenditure on raising funds**

***Fundraising trading expenses***

|                                  | <b>Unrestricted<br/>funds<br/>2021<br/>£</b> | <b>Restricted<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|----------------------------------|--|--|---------------------------------------|---------------------------------------|
| Fundraising costs                | 81,377                                       | -  | <b>81,377</b>                         | 104,881                               |
| Fundraising - wages and salaries | 120,886                                      | -  | <b>120,886</b>                        | 60,782                                |
| Fundraising salaries - NI        | 11,068                                       | -  | <b>11,068</b>                         | 4,894                                 |
| Fundraising - pension costs      | 2,482  | -  | <b>2,482</b>                          | 789                                   |
|                                  | <u>215,813</u>                               | <u>-</u>                                   | <u><b>215,813</b></u>                 | <u>171,346</u>                        |
| Total 2020                       | <u>125,954</u>                               | <u>45,392</u>                              | <u>171,346</u>                        |                                       |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**6. Analysis of expenditure by activities**

|                             | <b>Direct Costs</b> | <b>Support costs</b> | <b>Total</b>            | <b>Total</b>     |
|-----------------------------|---------------------|----------------------|-------------------------|------------------|
|                             | <b>2021</b>         | <b>2021</b>          | <b>funds</b>            | <b>funds</b>     |
|                             | <b>£</b>            | <b>£</b>             | <b>2021</b>             | <b>2020</b>      |
|                             |                     |                      | <b>£</b>                | <b>£</b>         |
| Children's services         | 1,083,381           | 4,946                | <b>1,088,327</b>        | 1,284,782        |
| Adult services              | 213,116             | 2,411                | <b>215,527</b>          | 165,870          |
| Family services             | 20,516              | (50)                 | <b>20,466</b>           | 66,020           |
| Adult sessional             | -                   | -                    | -                       | 11,297           |
| Management & administration | 262,955             | 90,505               | <b>353,460</b>          | 505,350          |
| Governance (note 7)         | -                   | 23,291               | <b>23,291</b>           | 16,474           |
|                             | <u>1,579,968</u>    | <u>121,103</u>       | <u><b>1,701,071</b></u> | <u>2,049,793</u> |
| Total 2020                  | <u>1,934,951</u>    | <u>114,842</u>       | <u>2,049,793</u>        |                  |

Support costs represent central office functions which include costs of the finance team salaries, human resources, promotion and advertising, information technology and finance costs.

**7. Governance costs**

|                                      | <b>2021</b>          | <b>2020</b>   |
|--------------------------------------|----------------------|---------------|
|                                      | <b>£</b>             | <b>£</b>      |
| Auditor's remuneration, payroll fees | <b>11,068</b>        | 11,644        |
| Trustees meeting costs               | <b>403</b>           | 4,830         |
| Legal and professional               | <b>11,820</b>        | -             |
|                                      | <u><b>23,291</b></u> | <u>16,474</u> |



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

|   | <b>2021</b>   | 2020         |
|---|---------------|--------------|
|   | <b>£</b>      | £            |
| Depreciation of tangible fixed assets   |               |              |
| - owned by the charity                  | <b>42,409</b> | 25,131       |
| Impairment of fixed assets              | -             | 79,412       |
| Auditor's remuneration - audit          | <b>11,068</b> | 10,790       |
| Auditor's remuneration - other services | -             | 854          |
| Loss on sale of tangible fixed asset    | <b>224</b>    | -            |
|   | <b>=====</b>  | <b>=====</b> |

**9. Staff costs**

|  | <b>2021</b>      | 2020         |
|--|------------------|--------------|
|  | <b>£</b>         | £            |
| Wages and salaries                                   | <b>1,254,048</b> | 1,397,448    |
| Social security costs                                | <b>99,964</b>    | 100,907      |
| Contribution to defined contribution pension schemes | <b>40,998</b>    | 42,670       |
|  | <b>=====</b>     | <b>=====</b> |
|  | <b>1,395,010</b> | 1,541,025    |
|  | <b>=====</b>     | <b>=====</b> |

Wages and salaries include redundancy costs of £9,772 (2020: £25,000) relating to restructuring undertaken during the period.

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

|   | <b>2021</b>  | 2020         |
|---|--------------|--------------|
|   | <b>No.</b>   | No.          |
| Average number of employees during the year | <b>59</b>    | 51           |
|   | <b>=====</b> | <b>=====</b> |

The average headcount expressed as full-time equivalents was:

|               | <b>2021</b>  | 2020         |
|---------------|--------------|--------------|
|               | <b>No.</b>   | No.          |
| FTE employees | <b>46</b>    | 37           |
|               | <b>=====</b> | <b>=====</b> |

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 AUGUST 2021*

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**9. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

|                                 | <b>12 months<br/>2021<br/>No.</b> | <b>17 months<br/>2020<br/>No.</b> |
|---------------------------------|-----------------------------------|-----------------------------------|
| In the band £60,001 - £70,000   | <b>1</b>                          | -                                 |
| In the band £80,001 - £90,000   | -                                 | 1                                 |
| In the band £100,001 - £110,000 | <b>1</b>                          | -                                 |
| In the band £130,001 - £140,000 | -                                 | 1                                 |

The above bandings relate to a 12 month period for 2021 and a 17 month period for the comparative period.

The total amount of benefits received by key management personnel in the year including employer's pension and national insurance is £231,236 (2020: £257,548 (17 month period)). The charity considers its key management personnel to comprise the Chief Executive Officer (CEO), the Headteacher and the Chief Finance Officer (CFO).

Settlement agreements of £9,772 (2020: £25,000) were paid during the year.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, travel expenses totalling £189 were reimbursed to 1 Trustee (2020: £1,473 to 1 Trustee).

**11. Intangible assets**

|                              | <b>Goodwill</b><br><b>£</b> |
|------------------------------|-----------------------------|
| <b><i>Cost</i></b>           |                             |
| At 1 September 2020          | <b>10,000</b>               |
| Disposals                    | <b>(10,000)</b>             |
|                              | <hr/>                       |
| At 31 August 2021            | -                           |
|                              | <hr/>                       |
| <b><i>Amortisation</i></b>   |                             |
| At 1 September 2020          | <b>10,000</b>               |
| On disposals                 | <b>(10,000)</b>             |
|                              | <hr/>                       |
| At 31 August 2021            | -                           |
|                              | <hr/>                       |
| <b><i>Net book value</i></b> |                             |
| At 31 August 2021            | -                           |
|                              | <hr/> <hr/>                 |
| At 31 August 2020            | -                           |
|                              | <hr/> <hr/>                 |

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**12. Tangible fixed assets**

|                       | Leasehold<br>improvements<br>£ | Smithy<br>Wood<br>£ | Fixtures and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|-----------------------|--------------------------------|---------------------|-------------------------------|----------------------------|------------|
| <b>Cost</b>           |                                |                     |                               |                            |            |
| At 1 September 2020   | 608,871                        | -                   | 120,264                       | 75,778                     | 804,913    |
| Additions             | 160,569                        | 164,816             | 66,573                        | 4,560                      | 396,518    |
| Disposals             | -                              | -                   | (954)                         | (780)                      | (1,734)    |
| At 31 August 2021     | 769,440                        | 164,816             | 185,883                       | 79,558                     | 1,199,697  |
| <b>Depreciation</b>   |                                |                     |                               |                            |            |
| At 1 September 2020   | 608,871                        | -                   | 65,263                        | 60,382                     | 734,516    |
| Charge for the year   | 2,736                          | 9,809               | 21,689                        | 8,175                      | 42,409     |
| On disposals          | -                              | -                   | -                             | (16)                       | (16)       |
| At 31 August 2021     | 611,607                        | 9,809               | 86,952                        | 68,541                     | 776,909    |
| <b>Net book value</b> |                                |                     |                               |                            |            |
| At 31 August 2021     | 157,833                        | 155,007             | 98,931                        | 11,017                     | 422,788    |
| At 31 August 2020     | -                              | -                   | 55,001                        | 15,396                     | 70,397     |

**13. Debtors**

|                                | 2021<br>£ | 2020<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 125,221   | 129,345   |
| Prepayments and accrued income | 27,323    | 6,882     |
|                                | 152,544   | 136,227   |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

|                                    | <b>2021</b>    | <b>2020</b> |
|------------------------------------|----------------|-------------|
|                                    | <b>£</b>       | <b>£</b>    |
| Trade creditors                    | <b>51,209</b>  | 22,448      |
| Other taxation and social security | <b>24,509</b>  | 22,813      |
| Accruals and deferred income       | <b>300,275</b> | 129,728     |
|                                    | <b>375,993</b> | 174,989     |

|  | <b>2021</b>     | <b>2020</b> |
|--|-----------------|-------------|
|  | <b>£</b>        | <b>£</b>    |
| Deferred income at 1 September 2020    | <b>97,766</b>   | -           |
| Resources deferred during the year     | <b>250,739</b>  | 97,766      |
| Amounts released from previous periods | <b>(97,766)</b> | -           |
|  | <b>250,739</b>  | 97,766      |

Deferred income is in respect of local authority fees paid in advance.

**15. Creditors: Amounts falling due after more than one year**

|               | <b>2021</b>      | <b>2020</b> |
|---------------|------------------|-------------|
|               | <b>£</b>         | <b>£</b>    |
| Bonds payable | <b>1,500,000</b> | -           |

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**PACES SHEFFIELD****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**16. Statement of funds****Statement of funds - current year**

|   | Balance at 1<br>September<br>2020<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Balance at 31<br>August 2021<br>£ |
|---|--|------------------|--------------------|--------------------------|-----------------------------------|
| <b>Unrestricted funds</b>                   |  |                  |                    |                          |                                   |
| <b>Designated funds</b>                     |  |                  |                    |                          |                                   |
| Designated Funds - fixed assets             | <b>70,397</b>                          | -                | <b>(42,409)</b>    | <b>394,800</b>           | <b>422,788</b>                    |
| <b>General funds</b>                        |  |                  |                    |                          |                                   |
| General Funds - all funds                   | <b>368,807</b>                         | <b>1,696,743</b> | <b>(1,599,120)</b> | <b>(342,891)</b>         | <b>123,539</b>                    |
| <b>Total Unrestricted funds</b>             | <b>439,204</b>                         | <b>1,696,743</b> | <b>(1,641,529)</b> | <b>51,909</b>            | <b>546,327</b>                    |
| <b>Restricted funds</b>                     |  |                  |                    |                          |                                   |
| ESFA - Free School Meals                    | -                                      | <b>4,412</b>     | <b>(2,708)</b>     | -                        | <b>1,704</b>                      |
| ESFA - PE Sport Grant                       | <b>9,235</b>                           | <b>16,220</b>    | <b>(19,653)</b>    | -                        | <b>5,802</b>                      |
| Summer School                               | <b>2,323</b>                           | <b>15,831</b>    | <b>(13,347)</b>    | <b>1,800</b>             | <b>6,607</b>                      |
| Adult Sessional                             | <b>2,792</b>                           | <b>14,448</b>    | <b>(10,410)</b>    | -                        | <b>6,830</b>                      |
| School Equipment                            | <b>6,518</b>                           | <b>51,280</b>    | -                  | <b>(6,518)</b>           | <b>51,280</b>                     |
| Pupil Premium                               | <b>13,870</b>                          | <b>22,704</b>    | <b>(33,598)</b>    | -                        | <b>2,976</b>                      |
| Children In Need                            | <b>6,336</b>                           | <b>27,603</b>    | <b>(33,939)</b>    | -                        | -                                 |
| Henry Smith                                 | <b>14,780</b>                          | -                | <b>(14,780)</b>    | -                        | -                                 |
| EHCP Funding                                | <b>1,823</b>                           | -                | <b>(1,823)</b>     | -                        | -                                 |
| DM Thomas Sensory equipment                 | <b>(22)</b>                            | -                | -                  | <b>22</b>                | -                                 |
| A new home for paces                        | <b>31,505</b>                          | -                | -                  | <b>(31,505)</b>          | -                                 |
| Other restricted                            | -                                      | <b>16,375</b>    | <b>(8,649)</b>     | <b>(4,253)</b>           | <b>3,473</b>                      |
| ESFA Maintenance Grant                      | -                                      | <b>25,342</b>    | <b>(25,342)</b>    | -                        | -                                 |
| Volant Charitable Trust                     | -                                      | <b>7,320</b>     | <b>(2,476)</b>     | -                        | <b>4,844</b>                      |
| D'Oyly Carte                                | -                                      | <b>4,000</b>     | <b>(1,664)</b>     | -                        | <b>2,336</b>                      |
| Masonic Charitable Foundation               | -                                      | <b>19,800</b>    | -                  | -                        | <b>19,800</b>                     |
| Charities Aid Foundation<br>Resilience Fund | -                                      | <b>42,899</b>    | <b>(31,444)</b>    | <b>(11,455)</b>          | -                                 |
| The Julia & Hans Rausing Trust              | -                                      | <b>26,160</b>    | <b>(26,160)</b>    | -                        | -                                 |
| ESFA teachers pay and pension<br>grant      | -                                      | <b>26,397</b>    | <b>(26,397)</b>    | -                        | -                                 |

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

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16. Statement of funds (continued)

*Statement of funds - current year (continued)*

|                                 | Balance at 1<br>September<br>2020<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Balance at 31<br>August 2021<br>£ |
|---------------------------------|--|------------------|--------------------|--------------------------|-----------------------------------|
| National Lottery Community Fund | 22,965                                 | -                | (22,965)           | -                        | -                                 |
|                                 | <hr/> 112,125                          | <hr/> 320,791    | <hr/> (275,355)    | <hr/> (51,909)           | <hr/> 105,652                     |
|                                 | <hr/>                                  | <hr/>            | <hr/>              | <hr/>                    | <hr/>                             |
| <b>Total of funds</b>           | <b>551,329</b>                         | <b>2,017,534</b> | <b>(1,916,884)</b> | <b>-</b>                 | <b>651,979</b>                    |
|                                 | <hr/> <hr/>                            | <hr/> <hr/>      | <hr/> <hr/>        | <hr/> <hr/>              | <hr/> <hr/>                       |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**16. Statement of funds (continued)****Statement of funds - prior year**

|                                 | Balance at<br>1 April 2019<br>as restated<br>£ | Income<br>£      | Expenditure<br>as restated<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31 August<br>2020<br>£ |
|---------------------------------|--|------------------|---------------------------------|--------------------------|--------------------------------------|
| <b>Unrestricted funds</b>       |  |                  |                                 |                          |                                      |
| <b>Designated funds</b>         |  |                  |                                 |                          |                                      |
| Designated Funds - fixed assets | 114,923  | -                | (102,848)                       | 58,322                   | 70,397                               |
| <b>General funds</b>            |  |                  |                                 |                          |                                      |
| Free reserves                   | 251,243  | 1,965,337        | (1,815,234)                     | (32,539)                 | 368,807                              |
| <b>Total Unrestricted funds</b> | <b>366,166</b>                                 | <b>1,965,337</b> | <b>(1,918,082)</b>              | <b>25,783</b>            | <b>439,204</b>                       |
| <b>Restricted funds</b>         |  |                  |                                 |                          |                                      |
| ESFA - Free School Meals        | -  | 13,183           | (13,183)                        | -                        | -                                    |
| ESFA - PE Sport Grant           | 13,066   | 20,773           | (24,604)                        | -                        | 9,235                                |
| Summer School                   | -  | 21,565           | (24,505)                        | 5,263                    | 2,323                                |
| Adult Sessional                 | -  | 7,048            | (4,256)                         | -                        | 2,792                                |
| School Equipment - capital      | -  | 26,609           | (4,325)                         | (15,766)                 | 6,518                                |
| Pupil Premium                   | 1,811  | 22,150           | (10,091)                        | -                        | 13,870                               |
| Children In Need                | 7,609  | 40,373           | (41,646)                        | -                        | 6,336                                |
| Henry Smith                     | 25,000   | 25,000           | (35,220)                        | -                        | 14,780                               |
| EHCP Funding                    | -  | 5,950            | (498)                           | (3,629)                  | 1,823                                |
| A New Home for Paces            | 720  | 76,176           | (45,391)                        | -                        | 31,505                               |
| Family services                 | -  | 1,508            | (1,508)                         | -                        | -                                    |
| Paces PTA                       | -  | 1,714            | (1,714)                         | -                        | -                                    |
| ESFA Maintenance Grant          | -  | 28,142           | (28,142)                        | -                        | -                                    |
| Covid assistance                | -  | 21,000           | (21,000)                        | -                        | -                                    |
| ESFA teachers pay grant         | -  | 9,984            | (9,984)                         | -                        | -                                    |
| ESFA teachers pension grant     | -  | 19,399           | (19,399)                        | -                        | -                                    |
| Sensory equipment               | 4,000  | 2,366            | -                               | (6,388)                  | (22)                                 |
| National Lottery Community Fund | -  | 45,819           | (17,591)                        | (5,263)                  | 22,965                               |



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**16. Statement of funds (continued)**

***Statement of funds - prior year (continued)***

|                              | Balance at<br>1 April 2019<br>as restated<br>£ | Income<br>£           | Expenditure<br>as restated<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31 August<br>2020<br>£ |
|------------------------------|--|-----------------------|---------------------------------|--------------------------|--------------------------------------|
|                              | <hr/> 52,206 <hr/>                             | <hr/> 388,759 <hr/>   | <hr/> (303,057) <hr/>           | <hr/> (25,783) <hr/>     | <hr/> 112,125 <hr/>                  |
| <b><i>Total of funds</i></b> | <hr/> 418,372 <hr/>                            | <hr/> 2,354,096 <hr/> | <hr/> (2,221,139) <hr/>         | <hr/> - <hr/>            | <hr/> 551,329 <hr/>                  |

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**16. Statement of funds (continued)**

**ESFA Free School Meals**

This funding is for the provision of school meals for pupils under the age of 7 and for pupils of disadvantaged families.

**ESFA PE Sport Grant**

This funding is being used to remunerate staff as PE/Sports Co-ordinators and for the purchase of PE and sports equipment.

**Summer School**

Grants and donations for children with cerebral palsy and other motor disorders to benefit from a series of conductive education activities outside term time.

**Adult Sessional**

Provision of regular flexible conduction education to those with both acquired and congenital movement disorders.

**School equipment - capital**

Donations received towards the purchase of equipment for use within the school.

**Pupil Premium**

This funding is being used to raise the attainment of disadvantaged pupils of all abilities and to close the gap between them and their peers.

**Children in Need**

Grant to support and aid the ongoing delivery of the Outreach Service

**Henry Smith**

Grant to support and aid families who are affected by disabled children and adults.

**EHCP funding**

Additional funding provided by local authorities to support a particular child's needs.

**A New Home for Paces**

Income received towards funding new premises for the Charity through a sponsored event.

**Family Services**

Grant funding and donations towards the running costs of the Family Services department.

**ESFA maintenance grant**

Funding received to be spent on the maintaining and upkeep of the school building.

**Volant Charitable Trust**

Grant to support the provision of remote Zoom Conductive Education sessions for adults with physical disabilities whilst coronavirus lockdown measures were in place, and in person support sessions at Paces Adult Services premises when restrictions were lifted.

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 AUGUST 2021*

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**16. Statement of funds (continued)**

**D'Oyly Carte Charitable Trust**

Grant to support the provision of remote Zoom Conductive Education sessions for adults with physical disabilities whilst coronavirus lockdown measures were in place, and in person support sessions at Paces Adult Services premises when restrictions were lifted. The grant helped to offset reductions in fundraising income due to the Coronavirus pandemic.

**Charities Aid Foundation Resilience Fund**

Grant funding to support staffing costs for the delivery of adult sessions (remote and in person), organisational management and development time, and family services support. The grant helped to offset reductions in fundraising income due to the Coronavirus pandemic.

**Julia & Hans Rausing Trust**

Grant to help offset reductions in fundraising income due to the Coronavirus pandemic by investing in Paces Outreach Programme, Family Services Team and Adult Sessional Programme.

**Covid Assistance**

Grants awarded for assistance during the COVID-19 pandemic.

**ESFA Teachers Pay Grant and Teachers Pension Grant**

To provide additional monies to contribute towards teachers salaries and pension contributions.

**National Lottery Community Fund**

Grant awarded from the Coronavirus Community Support Fund to assist with the Covid-19 pandemic.

**Paces PTA**

Income received from the Parent Teacher Association to fund expenditure associated with day trips such as transport and admission fees.

**Transfers**

Material transfers represent amounts transferred in relation to the movement on the designated fixed asset fund.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021

17. Summary of funds

Summary of funds - current year

|                  | Balance at 1<br>September<br>2020<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Balance at 31<br>August 2021<br>£ |
|------------------|--|------------------|--------------------|--------------------------|-----------------------------------|
| Designated funds | 70,397                                 | -                | (42,409)           | 394,800                  | 422,788                           |
| General funds    | 368,807                                | 1,696,743        | (1,599,120)        | (342,891)                | 123,539                           |
| Restricted funds | 112,125                                | 320,791          | (275,355)          | (51,909)                 | 105,652                           |
|                  | <b>551,329</b>                         | <b>2,017,534</b> | <b>(1,916,884)</b> | <b>-</b>                 | <b>651,979</b>                    |

Summary of funds - prior year

|                  | Balance at<br>1 April 2019<br>as restated<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Balance at<br>31 August<br>2020<br>£ |
|------------------|--|------------------|--------------------|--------------------------|--------------------------------------|
| Designated funds | 114,923  | -                | (102,848)          | 58,322                   | 70,397                               |
| General funds    | 251,243  | 1,965,337        | (1,815,234)        | (32,539)                 | 368,807                              |
| Restricted funds | 52,206   | 388,759          | (303,057)          | (25,783)                 | 112,125                              |
|                  | <b>418,372</b>                                 | <b>2,354,096</b> | <b>(2,221,139)</b> | <b>-</b>                 | <b>551,329</b>                       |

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

|                                     | Unrestricted<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets               | 422,788                            | -                                | 422,788                     |
| Current assets                      | 1,999,532                          | 105,652                          | 2,105,184                   |
| Creditors due within one year       | (375,993)                          | -                                | (375,993)                   |
| Creditors due in more than one year | (1,500,000)                        | -                                | (1,500,000)                 |
| <b>Total</b>                        | <b>546,327</b>                     | <b>105,652</b>                   | <b>651,979</b>              |

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**PACES SHEFFIELD****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**18. Analysis of net assets between funds (continued)****Analysis of net assets between funds - prior year**

|                               | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets         | 70,397                             | -                                | 70,397                      |
| Current assets                | 543,796                            | 112,125                          | 655,921                     |
| Creditors due within one year | (174,989)                          | -                                | (174,989)                   |
| <b>Total</b>                  | <b>439,204</b>                     | <b>112,125</b>                   | <b>551,329</b>              |

**19. Reconciliation of net movement in funds to net cash flow from operating activities**

|  | 2021<br>£      | 2020<br>£      |
|--|----------------|----------------|
| Net income for the year (as per Statement of Financial Activities) | 100,650        | 132,957        |
| <b>Adjustments for:</b>  |                |                |
| Depreciation charges   | 42,409         | 25,131         |
| Impairment of assets   | -              | 79,412         |
| Loss on the sale of fixed assets                                   | 1,718          | -              |
| (Increase) in debtors  | (16,317)       | (82,323)       |
| Increase in creditors  | 201,004        | 136,498        |
| <b>Net cash provided by operating activities</b>                   | <b>329,464</b> | <b>291,675</b> |

**20. Analysis of cash and cash equivalents**

|  | 2021<br>£        | 2020<br>£      |
|--|------------------|----------------|
| Cash in hand                           | 1,952,640        | 519,694        |
| <b>Total cash and cash equivalents</b> | <b>1,952,640</b> | <b>519,694</b> |

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

|                          | At 1<br>September<br>2020 | Cash flows      | At 31 August<br>2021 |
|--------------------------|---------------------------|-----------------|----------------------|
|                          | £                         | £               | £                    |
| Cash at bank and in hand | 519,694                   | 1,432,946       | 1,952,640            |
| Debt due after 1 year    | -                         | (1,500,000)     | (1,500,000)          |
|                          | <u>519,694</u>            | <u>(67,054)</u> | <u>452,640</u>       |

**22. Pension costs**

The charity does not administer a pension scheme. The pension cost charges represent contributions payable by the charity on behalf of its employees to defined contribution benefit schemes. Contributions for the year ended 31 August 2021 were £40,998 (2020: £42,670).

**23. Operating lease commitments**

At 31 August 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|                       | 2021<br>£      | 2020<br>£    |
|-----------------------|----------------|--------------|
| Within 1 year         | 46,105         | 3,632        |
| Between 1 and 5 years | 270,448        | 6,032        |
|                       | <u>316,553</u> | <u>9,664</u> |

**24. Related party transactions**

During the year, there were donations totalling £9,117 (2020: £785) from Switalskis Solicitors, a company in which Janet Baker and Suzanne Munroe are Directors.

Spencer Pitfield's daughter was paid £1,254 during the year for assistance in Fundraising (2020: £nil).

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**25. Commitments under licence to occupy**

At 31 August 2021, Paces Sheffield was committed to making the following repayments under a non-cancellable licence agreement in the year to 31 August 2022:

|                    | <b>2021</b><br><b>£</b> | 2020<br>£     |
|--------------------|-------------------------|---------------|
| Less than one year | <b>67,783</b>           | 88,077        |
|                    | <u><b>67,783</b></u>    | <u>88,077</u> |

**26. Taxation**

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**27. Control**

The charity is controlled by its members. No individual member has overall control.