

The PSHE Association

Financial Statements
for the year ended 31 March 2022

Company number: 06551975

Charity number 1127056

The PSHE Association

Company Information

Company registration Number 06551975

Registered Charity Number 1127056

Board of Directors P Bagshaw (resigned 14 September 2022)
A Cooper (resigned 5 July 2022)
M Holness
S Rushton
T Thomas (appointed Chair 14 September 2022)
P Williams
S Wheeldon (appointed 30 August 2022)
K Reddy (appointed 30 August 2022)
J Tillin (appointed 30 August 2022)
V Pearce (appointed 30 August 2022)

Company Secretary J Baggaley

Chief Executive J Baggaley

Head Office & Registered Office Coram Campus
41 Brunswick Square
London
WC1N 1AZ

Bankers Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Auditors Haysmacintyre LLP,
10 Queen Street Place,
London, EC4R 1AG

Trustee's report

For the year ended 31 March 2022

1. FINANCIAL STATEMENTS

The Trustees present their report and financial statements for the year ended 31 March 2022.

2. OBJECTIVES AND ACTIVITIES

The object of the charity is to advance the education of the public in the subject of personal, social, health and economic (PSHE) education. This promotes the health and wellbeing of individuals and communities. In determining the activities of the charity the trustees have had due regard to public benefit and to guidance issued by the Charity Commission, in compliance with section 17 of the Charities Act 2011.

The PSHE Association's remit is to support teachers and other professionals in providing high quality personal, social, health and economic (PSHE) education. In addition, it helps inform national policy for PSHE education within the broader context of children and young people's wellbeing.

The Association aims to raise the status and quality of PSHE education provision by working with schools (state and independent), teachers and other professionals to ensure that all PSHE education teachers are confident and skilled in teaching children and young people the knowledge and skills to make informed decisions about their health, relationships, careers and finances.

This aim is for the public benefit in as much as:

The Association is concerned with the advancement of education: it actively seeks to enhance the quality of PSHE education provision for **all** children and young people in educational settings by:

- supporting and enhancing the skills of those delivering PSHE education;
- raising awareness of the value of PSHE to school leaders so that they ensure a basic entitlement for all children and young people; and
- working with policy makers to ensure they understand the importance of PSHE in the curriculum and in helping to realise broader national priorities such as tackling teenage pregnancy, child sexual exploitation, obesity and debt.

The Association's purpose is also concerned with the advancement of health and wellbeing by increasing children and young people's knowledge about vital aspects of their physical and mental health and developing skills that support them to stay healthy.

High quality PSHE education provides effective:

- social and emotional education (which leads to better mental and emotional health and less aggression, violence, self-harm);
- physical health education about diet, exercise and healthy lifestyles (which reduces the risk of obesity, heart disease, etc).
- sex and relationship education (which results in better sexual health in the population, fewer sexually transmitted infections; fewer unplanned pregnancies; safer, more equal relationships; less grooming, exploitation, harassment and abuse);

Trustees' report (continued)

For the year ended 31 March 2022

- education for media literacy and digital resilience (which results in safer use of the internet, including social media and more critically aware consumers of online news and marketing)
- drug and alcohol education (which results in a population better able to make safe decisions about the use of alcohol, tobacco, medicinal drugs and illicit drugs);
- education that promotes diversity and community cohesion, prevents and challenges bullying, extremism and radicalisation.
- education that promotes economic understanding and financial capability and supports young people's employability.
- Given the link between poverty and poor health, the work of the Association in supporting better quality economic education as well as the more explicit aspects of 'health' education addresses the advancement of the health of the nation.

The Trustees confirm that they have given due consideration to the Charity Commission's general guidance on public benefit. These requirements are addressed in this report.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

The PSHE Association is a company limited by guarantee governed by its Memorandum and Articles of Association and by policies and procedures drawn up by senior management and approved by the Board. It is registered as a charity with the Charity Commission.

Recruitment, appointment and induction of new trustees

The PSHE Association aims to recruit and select trustees that both recognise the diverse society in which we live and are committed to the mission of the Association. Each trustee is asked to commit to a minimum of three-year membership of the Board, renewable for a further 3 years. The formal appointment of a trustee is made by the Board. Trustees have a full induction with the chair and senior staff in which they are briefed on the strategic direction and operational policies of the organisation. They are offered training as required.

Risk Management and disclosure of principal risks and uncertainties

The PSHE Association considers risk management to be a core and integral element of its general management. The trustees have considered the risks to which the Charity is exposed, principally staff capacity and funding, and have developed a risk management process for mitigating these risks. In the current climate the greatest risks are financial (in a period of rising inflation, an increasing cost of living crisis and real terms cuts to school and wider public sector budgets, from which the majority of the Association's income is gained, reductions in resources remain a risk) and the ongoing impact of the Covid-19 pandemic. Covid-19 continued to have an impact on UK schools throughout 2021-2022 and the Association has closely monitored the implications for its operations and revenue streams and been responsive to the changing needs of schools and teachers in these challenging circumstances. Trustees monitor income and expenditure (in the context of the Board's reserves policy) through quarterly finance committee meetings.

Internal risks are minimised by implementing procedures for authorising transactions and cover arrangements for staff sickness.

Trustees' report (continued)

For the year ended 31 March 2022

Delegation to CEO/Senior management

The Chief Executive has delegated authority to implement the Board's strategy within agreed operating and budgetary parameters. The Chief Executive seeks authorisation from the Board to approve expenditure which is not within budget and on any matters relating to the overall strategy and reputation of the organisation.

CEO and senior management team salaries are determined by the Board in consultation with external experts. Salary benchmarking exercises took place in March 2021 and March 2022. The senior management team are

J. Baggaley, Chief Executive

J. Barksfield, Deputy Chief Executive

J. Dillon, Head of Marketing & Communications

S. Warren, Operations Manager

Changes to the Board

In September 2022, Pat Bagshaw retired as Chair of the Board. She was an exemplary Chair and her six year tenure saw significant growth and development for the organisation. She also provided superb service and support to the trustees and the organisation during a period of significant change, including the introduction of statutory status for the majority of PSHE education and the Covid-19 pandemic. She leaves the organisation in a stronger position than when she took on the Chair. Tim Thomas has been appointed as the new Chair of the Board.

4. REVIEW OF ACTIVITY 2021-2022

Summary

In 2021-2022, schools and young people continued to be disrupted by the Covid-19 pandemic. Whilst many of the restrictions and requirements aimed at limiting the spread of Covid-19 were lifted in the Autumn term, schools continued to experience high pupil and staff absence, as well as pressures to respond to concerns about lost learning during school closures and the mental health impact of the pandemic. The PSHE Association continued to provide a wide ranging package of support for schools including:

- resources to support home learning
- guidance on teaching PSHE remotely
- guidance on discussing Covid-19 with pupils
- resources to support pupil mental health and signposting to services that support teachers' own mental health
- a range of online training and webinars to enable more schools to access essential support
- bespoke school training
- a free three week 'Understanding PSHE' course on FutureLearn to spread the fundamentals of safe, effective practice.

Ofsted's review into sexual harassment and abuse in schools and colleges – prompted by thousands of Everyone's Invited testimonials – also raised considerable concern. To help schools address the issue the Association worked with partners, including the Department for Education and NAHT, to provide training, webinars and teacher guidance on responding to sexual harassment through the PSHE curriculum, while addressing related and contributory through resources and guidance on teaching about consent and addressing pornography's harms.

Trustees' report (continued)

For the year ended 31 March 2022

The second half of the year also saw rising concerns about inflation, energy costs and the cost of the living crisis, affecting schools budget planning and increasing concerns about child poverty. These concerns continue into 2022-2023 and the Association is monitoring impact on school budgets, and placing increased focus on financial education and careers to support young people in this challenging financial environment.

In September 2020 the statutory requirements for relationships, sex and health education (RSHE) came into force. These changes made the majority of PSHE education compulsory in all schools. Owing to the pandemic, however, the Department for Education gave schools until the summer term 2021 to start delivering the curriculum. In response, The Association:

- designed and delivered new training courses to support schools with implementation of the new requirements
- provided new resources, such as a full suite of lessons on Healthy Lifestyles and updated consent materials, to ensure schools had the materials they needed to meet the statutory requirements.
- Focussed on successful RSHE implementation in our podcasts, webinars and conference events – reaching thousands of teachers and schools in the process.

In addition, we contributed to guidance from the Money and Pensions Service on financial education, the Careers and Enterprise Company on careers education, the National Governance Association on working with governors and drug and alcohol education and NAHT on addressing sexual harassment in schools. We also sat on the UK Council for Internet Safety Education and Digital Resilience Working Groups, the Information Commissioner's Children's Code Advisory Panel and continued to contribute to the National News Literacy Network.

In order to further develop knowledge and understanding of PSHE education, we launched a new research initiative, Fully Human, with an evidence scope on online pornography. This report was influential in policy discussions around the subject and led to the delivery of webinars on teaching about pornography on behalf of the Department for Education.

Across the year our membership has continued to grow. In February we launched a new website and CRM to improve member experience of our services and developed new resources including suites of lessons on healthy lifestyles, consent and drugs and alcohol education for pupils with SEND. We trained thousands of teachers through our training programme, including via our expanded range of CPD courses, a series of Twilight webinars and highly successful online conference.

Our one-year Covid response strategy ran to September 2021 and following a range of business planning activity, including staff and Board workshops and away days, a new business strategy was developed ready for April 2022. This included a re-structure of the organisation into two Directorates and a focus on six core pillars of activity.

Key activity

1. Membership development

Our members are the heart of the organisation. They are what differentiates the PSHE Association from other charity or commercial providers. Our members are advocates for PSHE and a field force in schools, promoting and practising high quality PSHE education. All of our activity – including developing resources for other organisations, training others

Trustees' report (continued)

For the year ended 31 March 2022

and our policy and public affairs work – ultimately improves our ability to support and grow our membership by developing our profile, highlighting our work and increasing the value of being a member.

We have also continued to develop our membership offer with new content and increased insights into the needs and habits of our members and their needs. To support members in understanding the changing world young people are growing up in – and how PSHE education can best support them – we launched a new research initiative, 'Fully Human', which aims to bring fresh perspectives on the future of PSHE education.

To improve member experience of our services, in February 2022 we launched a new website and CRM system, following a two year development process. This was built in adherence with all accessibility standards and provides significantly improved information architecture, a fully responsive mobile experience, improved search capabilities and streamlined financial processes. The CRM aspect allows us much greater insight into member needs and improves our ability to respond accordingly with tailored support according to school context and areas of priority for teachers.

2. PSHE resources and services – lessons, planning, assessment and support

To provide high quality PSHE in their schools, it is critical that teachers have access to up to date lesson plans, as well as the planning tools and Programme of Study we provide for our members.

We want to ensure our members have access to materials that cover the breadth of PSHE education. Working with partner organisations is therefore a key part of our work as we can marry their subject matter expertise with our expertise in curriculum planning, lesson development and PSHE pedagogy.

As well as continuing to work with a range of organisations – such as the Public Health England – to produce new resources, we produced numerous suites of lessons and teacher guidance of our own, including on:

- teaching about consent, starting with basic concepts in primary school and building up to exploring sexual consent at key stages 3 and 4
- healthy lifestyles (focusing on physical health and contributory factors)
- careers education
- FGM
- Lessons on drugs and alcohol for pupils with SEND.

To support pedagogical practice, we also developed new guides to:

- Assessment in PSHE
- Teaching about sexual harassment through the PSHE curriculum
- teaching PSHE in SEND settings.

Our Quality Assurance process also plays a critical role in ensuring teachers have access to resources which meet principles of best practice in PSHE. In 2021-2022 we quality assured new resources from a broad range of organisations including the Home Office, the British Board of Film Classification (BBFC), University of Exeter, Medway Council and Dove.

3. Training – Continuous Professional Development

Trustees' report (continued)

For the year ended 31 March 2022

The quality of PSHE education in schools is dependent on the teachers who deliver it. Ensuring access to training on PSHE pedagogy and best practice is therefore central to our work. We delivered an expanded calendar of courses for our members, as well as bespoke training in individual schools or on behalf of local authorities or school networks. We continued to provide our full calendar of training online owing to continued uncertainty of the pandemic as well as to ensure easier access to our courses. We increased our training offer throughout the year with new courses on assessment, implementation of the statutory requirements, addressing sexual harassment, teaching about healthy lifestyles and PSHE education at Key Stage 5. We also ran an extremely well attended online conference in November and ran free 'Twilight Sessions' webinars on sexual harassment, the teenage brain and financial education. In addition, we delivered a series of webinars on teaching about pornography, child sexual exploitation and domestic abuse on behalf of the Department of Education, each attended by over a thousand teachers.

4. Organisational development

Owing to the depth of uncertainty caused by Covid-19 a one year response strategy was developed which ran from September 2020 to August 2021. Between September 2021 and March 2022 the Association undertook a range of business planning activity, including development workshops and away days with staff and the Board. A new business strategy was developed and agreed which runs from April 2022. This included a re-structure of the organisation into two Directorates – a Membership and Communications directorate, bringing membership support and customer service into closer alignment with marketing, communications and policy activity; and an Education Directorate, comprising the subject specialist team who are responsible for the development of resources, pedagogical practice, school training and support. During 2021-2022 we also expanded our staff team, increasing the number of subject specialists in order to respond to the needs of growing membership.

5. Raising profile and influencing policy

The Association has continued to influence national policy and remain at the forefront of tackling current and emerging issues. Examples include:

- Reinforcing the importance of regular curriculum time: The Association has always been adamant that high quality PSHE education only results from it being treated like other subjects – with regular curriculum time and learning built on and sequenced over time. We have started to see messaging from our briefings, training and resources filter through to Ofsted, government guidance (e.g. Keeping Children Safe in Education) and a major report from a group of leading independent and state schools via Public First that regular curriculum time is a pre-requisite to effective provision
- Giving higher priority to financial education and economic wellbeing: these aspects remain effectively optional as they fall outside statutory RSHE requirements. We have long argued that the 'E' for economic in PSHE education is just as important. Again, our messaging and approach regarding making economic wellbeing compulsory as well has been echoed by think tanks such as the Centre for Social Justice and the Education Committee Chair, therefore setting the scene for further campaigning activity in this area.
- Going beyond the surface with issues such as pornography via our Fully Human initiative, so that we can better understand the pressures and influences that exacerbate the issue for young people, and respond accordingly.

Trustees' report (continued)

For the year ended 31 March 2022

5. FINANCIAL REVIEW

The Board is pleased with the organisation's financial performance in 2021-22. The Association has continued to maximise available resources and maintain steady income streams in almost all areas.

During the year ending 31 March 2022, the total income of the Charity was £1,372,537 (2021: £1,285,982). This increase in income was as a result of strong performance from membership, school support, training and contract work. All income areas support our key objective of supporting and enhancing the skills of those delivering PSHE education.

Expenditure in the period increased to £1,226,672 (2021: £1,060,093) largely as a result of an increased staff base. The Charity made a surplus in the year of £145,865 (2021: surplus of £225,889).

Reserves Policy

General reserves at the end of the year stood at £1,059,578 (all unrestricted).

The level of free reserves is £789,062 (2021: £653,460). It is the trustees' policy to keep between 3 and 6 months of operating costs (equating to between £375,000 and £750,000), based on our budgeted 2022-23 expenditure in reserve at all times, but this policy is kept under continual review. The reserves at 31 March 2022 are slightly above the target level, however planned one off expenditure during 2022-23 is expected to reduce the free reserves by 31 March 2023.

Fundraising note

Since the Charity's income is derived from services provided, it does not undertake fundraising activities; it is nevertheless mindful of the Code issued by the Fundraising Regulator.

Going Concern

The Board of Trustees is of the opinion that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties regarding the charity's ability to do so.

Future Developments

Following significant investment in a new CRM and website, the organisation will continue to focus on developing its digital services and offer to members. This includes continuous improvement across its digital estate and new developments, including a learning management system to enable the delivery of on-demand training. The organisation will also continue to develop new resources in priority areas for PSHE education, as well as further the evidence base for the subject through primary and secondary research.

Trustees' report (continued)

For the year ended 31 March 2022

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its income and expenditure during that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards 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 company will continue its activities

The Trustees are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and to take reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and each trustee has taken all the steps that he/she ought to have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



Tim Thomas

Chair of the Board of Trustees

Date: 9 December 2022

Independent Auditor's report

To the members of The PSHE Association

Independent auditor's report to the members of The PSHE Association

Opinion

We have audited the financial statements of The PSHE Association for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial

Independent Auditor's report

To the members of The PSHE Association

statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 8, 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.

Independent Auditor's report

To the members of The PSHE Association

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with

ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to employment law and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011 and payroll taxes.

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

- Inspecting correspondence with regulators and tax authorities; Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; Evaluating management's controls designed to prevent and detect irregularities; Identifying and testing journals, in particular journal entries posted at the year-end or with unusual descriptions; and Challenging assumptions and judgements made by management in their critical accounting estimates.

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

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

Independent Auditor's report
To the members of The PSHE Association

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Weaver
(Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 9 December 2022

10 Queen Street Place
London
EC4R 1AG

Statement of financial activities
Incorporating the income and expenditure account
For the year ended 31 March 2022

	Notes	2022 £	2021 £
Income from			
<i>Donations & Legacies</i>			
Grants & Donations	2	-	13,764
Investments		126	604
		<u>126</u>	<u>14,368</u>
<i>Income from charitable activities</i>			
Membership		810,653	831,891
Workforce Training & Education		561,758	439,723
		<u>1,370,537</u>	<u>1,285,982</u>
Total Income			
Expenditure			
Expenditure on Charitable activities			
Workforce Training & Education		1,149,700	979,590
Subject Policy Development		76,972	80,503
		<u>1,226,672</u>	<u>1,060,093</u>
Total Expenditure	3		
Net Income		<u>145,865</u>	<u>225,889</u>
Fund balance brought forward		913,713	687,824
Fund balances carried forward	11	<u>1,059,578</u>	<u>913,713</u>

All funds are unrestricted. All of the above results derive from acquired and continuing activities. There are no gains and losses other than those disclosed above. The accompanying notes form an integral part of these financial statements.

Balance sheet
As at 31 March 2022

(Company Number 6551975)

	Notes	2022 £	2021 £
Fixed assets			
Tangible fixed asset	7	17,415	10,253
Intangible fixed asset	8	253,101	56,843
		<u>270,516</u>	<u>67,096</u>
Current assets			
Debtors	9	185,910	235,283
Cash on deposit and in hand		1,072,190	1,183,770
		<u>1,258,100</u>	<u>1,419,053</u>
Creditors: amounts falling due within one year	10	(469,038)	(572,436)
Net current assets		<u>789,062</u>	<u>846,617</u>
Net assets		<u>1,059,578</u>	<u>913,713</u>
Represented by			
Unrestricted funds			
General fund		817,467	663,713
Designated fund		242,111	250,000
	11	<u>1,059,578</u>	<u>913,713</u>

The accompanying notes form an integral part of these financial statements.

The accounts were approved and authorised for issue by the Trustees on 9 December 2022 and signed on its behalf by



Tim Thomas
Trustee

Statement of Cashflows
For the year ended 31 March 2022

	2022 £	2022 £	2021 £	2021 £
Cash flow from operating activities				
Net cash provided by operating activities (as below)		110,467		285,164
Cash flow from investing activities				
Purchase of tangible fixed assets	(7,162)		(1,805)	
Purchase of intangible fixed assets	(214,759)		(56,843)	
Investment income – bank interest	(126)		604	
Net cash (used in) investing activities		(222,047)		(58,044)
Change in cash and cash equivalents in the year		(111,580)		227,120
Cash and cash equivalents at the beginning of the year		1,183,770		956,650
Cash and cash equivalents at the end of the year		1,072,190		1,183,770
Reconciliation of net income to net cash flow from operating activities				
Net income (as per the Statement of Financial Activities)		145,866		225,889
Interest income		126		(604)
Depreciation		18,500		8,888
Decrease in debtors		49,373		11,457
(Decrease)/increase in creditors		(103,398)		39,534
Net cash provided by operating activities		110,467		285,164
Analysis of changes in net debt	At 1 April 2021 £	Cash flows	At 31 March 2022	
Cash at bank	1,183,770	(111,580)	1,072,190	
Total cash and cash equivalents	1,183,770	(111,580)	1,072,190	

The accompanying notes form an integral part of these financial statements.

Notes to the accounts (continued)

For the year ended 31 March 2022

1 Accounting policies

a) *Basis of accounting*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements and have considered the impact of the coronavirus pandemic on the charity's operations. The charity has successfully pivoted our services online including our CPD training and annual conference, developed a large suite of home learning materials for schools and membership continued to grow significantly. The only real impact of the pandemic on our income lines was on direct school support (because of the lack of face-to-face delivery) though we started to offer that online from the autumn term. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Financial Instruments*

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of the PSHE Association after deducting all of its liabilities.

c) *Income*

All income is included in the Statement of Financial Activities ('SOFA') when the charity is legally entitled to the income and the amount can be quantified with reasonable probability. Grant and donation income is deemed to be receivable when the criteria of entitlement and certainty are met and when the income can be quantified with reasonable reliability. Revenue grants are credited to the statement of financial activities in the period in which it is received, or it becomes receivable whichever is earlier. Furlough grants are accounted for in the period for which the claim relates.

d) *Expenditure*

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the accounts.

Charitable activities comprise direct expenditure including direct staff costs attributable to the activity. Support costs have been allocated to activities based on the average staff time spent as shown below. Governance costs are those incurred in connection with the management of the Association's assets, organisational administration and compliance with constitutional and statutory requirements.

Notes to the accounts (continued)

For the year ended 31 March 2022

1 Accounting policies (continued)

	%
Workforce Training & Education	93
Subject Policy Development	7
Total	100

e) Fund accounting

The accounts disclose separately the unrestricted, designated and restricted income, expenditure and accumulated funds of the charity. Unrestricted income may be expended at the trustees' discretion to fulfil any of the PSHE Association's charitable objectives. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Restricted funds must only be expended for specific purposes either stipulated by the funder or implicit in the way in which the funds were solicited.

f) Depreciation

Depreciation has been calculated to write off the cost of assets over their expected useful lives as follows:

Database – 3 years (straight line basis)

Computer Equipment – 3 years (straight line basis)

PSHE's policy is to capitalise assets purchased over £500.

g) Intangible assets

Intangible assets are recognised at cost and are carried at cost or valuation, net of amortisation and any provision for impairment. The assets are amortised over its expected useful life. The amortisation rate in use is as follows:

20% per annum on a straight line basis.

PSHE's policy is to capitalise intangible assets purchased over £1,000.

h) Judgements and estimates

Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the valuation of depreciation and amortisation.

The annual depreciation & amortisation charges for tangible / intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The trustees do not consider there to be any material judgement or estimates in the year.

Notes to the accounts (continued)

For the year ended 31 March 2022

2 Government grants

	2022 £	2021 £
Government Grant - Furlough	-	13,764

3 Analysis of expenditure

	Workforce Training & Education £	Subject Policy Development £	2022 Total £	2021 Total £
Direct costs				
Staff costs	742,259	64,634	806,893	806,262
Consultants	43,270	-	43,270	7,687
Web Development	49,121	-	49,121	1,646
Marketing	9,135	-	9,135	1,951
Other	125,521	4,211	129,732	78,478
Support Costs*				
Governance				
Staff costs	21,327	1,857	23,184	22,743
Audit	9,899	781	10,680	10,200
Other	3,501	276	3,777	134
Other Support costs				
Other staff costs (incl recruitment & training)	7,785	678	8,463	6,190
Property	3,665	289	3,954	2,914
Office Costs	92,441	7,290	99,731	53,885
IT	20,275	1,599	21,874	50,901
Accountancy	15,533	1,225	16,758	16,632
Other	93	7	100	470
Total	1,148,825	82,847	1,226,672	1,060,093

* Support costs are allocated on the basis of time spent on each activity.

Notes to the accounts (continued)

For the year ended 31 March 2022

Prior Year	Workforce Training & Education £	Subject Policy Development £	2021 Total £
Direct costs			
Staff costs	742,457	63,805	806,262
Consultants	7,687	-	7,687
Web Development	1,646	-	1,646
Marketing	1,951	-	1,951
Other	74,764	3,714	78,478
Support Costs*			
Governance			
Staff costs	20,943	1,800	22,743
Audit	9,393	807	10,200
Other	123	11	134
Other Support costs			
Other staff costs (incl recruitment & training)	5,700	490	6,190
Property	2,683	231	2,914
Office Costs	49,621	4,264	53,885
IT	46,873	4,028	50,901
Accountancy	15,316	1,316	16,632
Other	433	37	470
Total	979,590	80,503	1,060,093

* Support costs are allocated on the basis of time spent on each activity.

Notes to the accounts (continued)

For the year ended 31 March 2022

4 Net income for the year

This is stated after charging:

	2022 £	2021 £
Auditor's remuneration (excluding VAT)		
- audit services	10,680	8,500

5 Taxation

The PSHE Association is a registered charity and as such its income and gains are exempt from corporation tax to the extent that they are applied to its charitable objectives. There is no corporation tax charge for the year.

6 Staff costs and employees

	2022 £	2021 £
Staff costs during the year amounted to:		
Wages and salaries	719,932	728,765
Social security costs	70,830	63,885
Employer's pension contributions	35,489	34,939
	826,251	827,589

One employee had earnings in the range £70,000-£80,000 (2021: one). The PSHE Association made contributions to a defined contribution pension scheme of £35,489 (2021: £34,939) in respect of those employees.

The average number of employees during the year was 19 (2021: 16.4 {headcount}).

The total employee benefits including pension contributions of the key management personnel comprising of the CEO, Deputy CEO and Principal Subject Specialist, Operations Manager and Head of Marketing and Communications were £243,686 (2021: £244,003).

Notes to the accounts (continued)

For the year ended 31 March 2022

7 Tangible Fixed Assets

	Computer Equipment £	Total £
Cost		
1 April 2021	33,713	33,713
Additions	17,773	17,773
31 March 2022	51,486	51,486
Depreciation		
1 April 2021	23,459	23,459
Charge for the year	10,612	10,612
31 March 2022	34,071	34,071
Net book value		
31 March 2022	17,415	17,415
31 March 2021	10,253	10,253

8 Intangible Fixed Assets

	Database £	Total £
Cost		
1 April 2021	92,083	92,082
Additions	204,147	204,147
31 March 2022	296,230	296,230
Depreciation		
1 April 2021	35,240	35,240
Charge for the year	7,889	7,889
31 March 2022	43,129	43,129
Net book value		
31 March 2022	253,101	253,101
31 March 2021	56,843	56,843

The capital commitment at the 31st March 2022 was £nil (2021: £145,677).

Notes to the accounts (continued)

For the year ended 31 March 2022

9 Debtors

	2022 £	2021 £
Trade debtors	105,200	149,980
Other debtors	-	2,743
Prepayments and accrued income	80,710	82,560
	<u>185,910</u>	<u>235,283</u>

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	48,298	23,702
Other taxes and social security	21,626	19,060
Net Wages	-	14,607
Other creditors	16,983	3,245
Accruals	21,696	35,129
Deferred income	360,435	476,693
	<u>469,038</u>	<u>572,436</u>
Deferred income brought forward	476,693	458,893
Released in the year	(476,693)	(458,893)
Deferred in the year	360,435	476,693
Deferred income carried forward	<u>360,435</u>	<u>476,693</u>
Deferred income was received for...		

11 Funds

<u>2022</u>	Fund balance brought forward £	Income £	Expenditure £	Transfer £	Fund balance carried forward £
Unrestricted funds					
General	663,713	1,372,537	(1,218,783)	-	817,467
Designated – Digital Development Fund	250,000	-	(7,889)	-	242,111
	<u>913,713</u>	<u>1,372,537</u>	<u>(1,226,672)</u>	<u>-</u>	<u>1,059,578</u>
Total funds					

Digital Development Fund

This designated fund is for the development of a new CRM, CMS and further digital capabilities in 2021-2022.

Notes to the accounts (continued)

For the year ended 31 March 2022

11 Funds (continued)

<u>2021</u>	Fund balance brought forward	Income	Expenditure	Transfer	Fund balance carried forward
	£	£	£	£	£
Unrestricted funds					
General	687,824	1,285,982	(1,060,093)	(250,000)	663,713
Designated – Digital Development Fund	-	-	-	250,000	250,000
Total funds	687,824	1,285,982	(1,060,093)	-	913,713

12 Analysis of Net Assets between Funds

Fund balances at 31 March 2022 are represented by:

	General fund £	Designated fund £	Total £
Tangible Fixed Assets	17,415	-	17,415
Intangible Fixed Assets	10,990	242,111	253,101
Current assets	1,258,100	-	1,258,100
Current liabilities	(469,038)	-	(469,038)
Total net assets	817,467	242,111	1,059,578

Prior Year	General fund £	Designated fund £	Total £
Tangible Fixed Assets	10,253	-	10,253
Intangible Fixed Assets	-	56,843	56,843
Current assets	1,225,896	193,157	1,419,053
Current liabilities	(572,436)	-	(572,436)
Total net assets	663,713	250,000	913,713

Notes to the accounts (continued)

For the year ended 31 March 2022

13 Related Party Transactions

The Trustees did not receive any remuneration during the year (2021: £nil). No expenses were reimbursed in the year (2021: nil).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2021: none).

There is no ultimate controlling party (2021: none).