

Charity Registration No. 297797

Company Registration No. 02161405 (England and Wales)

PARK SCHOOL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

PARK SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Council of Governance (formerly Council of Management)	Nathan Gribble	
	Alison Amherst	
	Dan Janota	(Appointed 2 December 2019)
	Nicholas Harrison	(Appointed 10 February 2020)
	Fran Wilby	(Appointed 25 January 2021)
	Patricia Gaya	(Appointed 25 January 2021)

Charity number 297797

Company number 02161405

Registered office and principal address Park Road
Dartington Hall
Totnes
Devon
TQ9 6EQ

Independent examiner Paul Beard ACA FCCA
Darnells Chartered Accountants
30 Fore Street
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TQ9 5RP

Bankers Cooperative Bank PLC
P.O. Box 101
1 Balloon Street
Manchester
M60 4EP

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15 Victoria Street
Paignton
TQ4 5DE

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Glasgow
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Senior staff member who has been delegated responsibility of day to day management Arnet Donkin (Headteacher)

PARK SCHOOL

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PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2020

The Council of Governance (formerly Council of Management) present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS102.

Objectives and activities

Objects

The Charity's objective is to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom any boarding or day school or schools for the education of children of either sex or both sexes.

Aims and objectives

These were to:

Provide a learning environment which addresses the social, emotional, intellectual, physical, spiritual and creative needs of each child, helping them to realize their unique potential. The School welcomes children of all cultural backgrounds and beliefs.

Provide Human Scale Education for children aged 3 to 11 years, to provide an alternative education model and to promote democratic education. The School aims to:

1. Provide a human scale education geared to the holistic development of all its pupils.
2. Create an environment which encourages in children and staff a sense of responsibility and mutual respect through democratic processes.
3. Create an environment where children use the outside spaces to understand how to enjoy and respect nature, and as a basis for environmental education.
4. Create an environment which encourages a strong sense of community amongst staff, children and parents.
5. Create an environment in which children grow to be self-aware, confident individuals.
6. Create an environment where learning is fun, relevant and lifelong.
7. Create a learning environment which means that children meet their academic potential, taking into account individual developmental maturity.
8. Promote an alternative education model internationally for Human Scale Education.
9. Improve the environmental education offered, by providing shelters and spaces in the school grounds.

Objectives for the year:

RE-CULTURING vision and values

Ensure that a shared understanding of the vision and values are enacted through the culture, ethos and pedagogy of the School.

RE-SHAPING strengthening leadership

Effective values-led leadership that has clarity of purpose and roles at all levels and puts at its heart, human relationships and a striving for the best outcomes for children.

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

RE-DESIGNING shaping the learning

Ensure that the children experience learning which reflects the vision, values and aims of the School; that they are involved in creative, enquiry-led learning.

RE-CONNECTING building our community

Linking to, and informing, the wider community of parents and connecting and participating with the wider education community.

Charitable educational activities

The activity of the Company continued to be the provision of education to children and 172.5 teaching days took place, all undertaken in the context of fulfilling these objectives.

The School is registered for 80 children but currently has capacity for 70 children and approximately 45 children were on roll at the year end.

Public benefit

Trustees and management are aware of the on-going development regarding public benefit and the charitable status of charities and independent schools and have paid due regard to guidance issued by the Charity Commission.

The Charity's principal public benefit is the provision of a learning environment which addresses the social, emotional, intellectual, physical, spiritual and creative needs of each child, helping them to realise their unique potential.

Human Scale Education is modelled through the School which includes democratic principles, creative and environmental learning. Children have a voice in the School which is respected and responded positively to by staff and Trustees.

The School provides opportunities for the wider public to find out about its alternative educational model through the provision of public talks, placements for students and visits by educators from around the world.

The School endeavours to ensure an education at Park School is not restricted by financial means. Fees are arranged on a sliding scale based on family circumstances. A limited number of bursaries are available on application to families whose children are enrolled at the School. In 2019 – 20 the School offered three bursaries in the year with a total value of £2,731 which allowed the families to stay within the School community.

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

The School has continued to provide a model of human scale education for children aged between 3-11 years. It is widely viewed as a long-standing example of what a human-scale school can provide for children and their families.

During 2019-20 the School continued to embed improvements following the major review of its organisation and practice in the previous year to ensure that the delivery of education and the experience of children continued to evidence the overall mission and aims of the School.

The year has been marked by the need to respond to the challenges resulting from the global pandemic. As a small, community-led human-scale school the challenges this presented were immense, not least in managing the financial pressures but also in navigating ways in which we could maintain the ethos of the School community at a time when we were being forced to maintain 'social distance'.

Heidi Strawson, Chair (2019-20) wrote to parents in the Annual Report to Parents: 'It is fair to say that this has not been a year without challenge! The Autumn term coincided with many families and some staff suffering from flu and other illnesses, culminating in the particular challenge of saying goodbye to our longstanding Teacher in Charge as she decided to move on after many happy years at Park School. We also had our first compliance inspection from the Independent Schools Inspectorate and so were looking forward to 2020 and new beginnings, but no sooner had the children returned to School, and just as we were settling into new rhythms, our country was hit by COVID-19 and all the associated disruption that we have experienced since then.

Whilst this has not been an easy time – we have been affected individually and as a community in terms of our financial, emotional and, in some cases, physical well-being - what I would reflect on as we approach the end of the School year is how we have demonstrated strength and compassion as a community. I have seen staff pull together in creative and agile ways to reimagine the children's learning, and families bend over backwards to try to make remote learning feasible, accommodating as best they can alongside employment, business and family needs.'

Arnet Donkin, then interim Head teacher wrote: 'Sometimes there are moments in life that will stay remembered. For those of us connected to Park School, the school year of 2019-20 will be one of those years.

The School is a reminder that education at Park School is more than just about the learning that takes place in classrooms; it is about nurturing the joy of learning about ourselves and each other and the opportunity to mix with other children across ages, to establish and nurture friendships beyond class groups. As a human-scale school, we value relationships with each other that are based on respect, fairness and equality. Education at Park School is a chance to be with adults who will guide and mentor you in School in a real and human way. This is what human-scale education is about, at its core, it provides a model of society where meaningful relationships between people provide the ability to connect in a way that is both strengthening and nurturing and in which, we can look to build a future society that is underpinned by core values of respectfulness, care and compassion.

Over the past year we have seen many changes in our School community as people have left and new people arrive. To maintain a strong community we have to be mindful of ever-shifting relationships and to be able to listen to each other, step up when needed, always looking to stay true to our values and principles as a human-scale school which exist at the core of our community remembering that the contribution that each one of us has a significance on the lives of those around us. '

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Key Developments and Activity:

Developing our Curriculum

Learning should always be an adventure. An experience in which we get excited, challenged, have fun and essentially discover new things, new ways to do things, fresh ways in which we can live our lives.

Play and creative, playful learning experiences are central to the way we teach children at Park School. We recognise that through play children learn to take risks, make mistakes, face challenges, explore new ideas and experience joy.

This year as educators, we have challenged ourselves to look at what we teach and how we teach. We have reviewed our curriculum, the things that we want the children to learn, and explored the reality of how we teach, our 'pedagogy'. We have developed a new framework for our curriculum that builds on children's experiences in the world around them, the developing understanding of themselves and their relationships with other people.

We recognise that children learn best when the curriculum is relevant and meaningful; when the teaching is made enjoyable and relevant and teachers pay attention to the individual interests. It is when this is in place that the magic can happen. In line with these principles, we are building a curriculum around six key-learning aspects:

- Curiosity, enquiry and reasoning;
- Understanding, respecting and valuing ourselves and each other;
- Language, literacy and mathematics;
- Understanding the world around us;
- Healthy living and physical well-being;
- Caring for and respecting our environment.

The new curriculum, rooted in the ideas expressed through 'place-based education' will make full use of the extensive and beautiful resources of the natural world in which the School is located; the Dartington Estate and the surrounding areas will be our outdoor classroom, immersed in experiential learning, children will build their understanding and skills in literacy, mathematics, science, humanities and the creative and expressive arts.

We are grateful for the support of the Frederick Mulder Foundation in supporting our work to develop the curriculum and to engage and share with other educational practitioners in the wider educational community beyond Park School. Funding from the Frederick Mulder Foundation will enable us to work with experts in their field, continuing our work to develop our approach to learning and to share this more widely with other schools and educationalists.

The grant will specifically enable us to explore and develop ways to help children learn about sustainability and climate change in ways that are appropriate and relevant for primary school-age children.

Providing Human-Scale Education

Despite the financial challenges faced by many families, the School has been successful in enabling the majority of families to access human-scale education at Park School. During the first lockdown of the pandemic we supported families through a variety of financial support packages including a reduced fee offer for all families with more specific targeted support arrangements offered on an individual basis as required. The care and compassion that was felt by those families involved with the School through this period meant that the School was able to remain viable, and even successfully attract a number of new families into our school community.

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Along with the decision to open a new class group for September 2020, the School ended the year in a positive way anticipating the possibility to move into the new school and financial year with a clear road-map to recovery.

Building our community

The School was able to hold its traditional Apple Press day in the autumn, along with a Christmas open day and celebration both of which provide an opportunity for the wider community to connect and learn about the activities of the School. Due to the pandemic, activities for parents and the wider community could not take place post March 2020.

The School has continued to reach out beyond the immediacy of the school. An example of this is an agreement to support and collaborate with a researcher from Belgium currently engaged in researching place-based education. The research will take place through the year of 2020-21.

Children at the School led active fund-raising activities to raise money for Children in Need and organised the collection of gift boxes to be sent to Syria, via 'Link to Hope.'

Challenges arising from COVID-19 Pandemic

The School's operations have been dramatically affected by the coronavirus pandemic and the related national control measures. Specifically, in line with government policy, Park School closed its building to pupils from 18 March 2020. However, the School has continued to operate by maintaining a virtual school offer for all pupils, including those in the early years setting and maintained good links with pupils and their families.

To manage costs through the first lockdown, all potential cost-savings were explored, including a number of staff who were furloughed. This, along with very careful management and monitoring by the School Council, enabled the School to find its way through the first lockdown.

Again, in January 2021 the School has been required to close for all pupils except for early years, key worker and vulnerable children. In this instance there is increased pressure on staffing with higher expectations around remote education for those children at home, along with increased numbers of children able to access provision in School.

The Council is pleased and confident that the measures taken put the School in the strongest place to be resilient to these external pressures however, as before, careful monitoring is taking place to ensure that the School is able to manage these pressures effectively.

The School has had 8 new children from 6 families joining during the 2019-20 school year and continues to get expressions of interest from new families seeking places for their children for September 2021 and is confident that the development work taking place throughout the School will make it well-placed to see through the remaining uncertainty as we move through the pandemic.

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

There was a deficit on unrestricted activities for the year to 31 August 2020 of £40,790 (2019: deficit of £30,166) and a surplus of £4,650 (2019: surplus of £600) on restricted funds.

The increase in deficit on unrestricted activities is a consequence of the impact of the global pandemic.

The principal funding sources are the parents who send their children to the School. They support the key objectives of the Charity through their time, effort and money. Parents are an integral part of the School community and without their input the School would not exist.

Reserves policy

Free reserves at 31 August 2020 stand at £239,984.

The history of alternative schools has always been insecure; it is therefore the policy of the School to ensure adequate reserves to meet the future financial challenges of the School.

The Council is satisfied that the reserves are at an appropriate level to be able to counter the additional financial requirements of the coming years while at the same time make the necessary investments into the School in order to ensure its growth and allow it to prosper so that other children may benefit from the type of education and experience the School offers.

Plans for future periods

The School continues to work on the four key aims of the development plan (as detailed previously). The priority focus for the year ahead is on the curriculum and on pedagogy. The School is exploring ways of building stronger connection through the curriculum with nature and sustainability that will enable the children to become ambassadors with the knowledge, skills and understanding needed to address the challenges being faced globally with regard to inequality, climate and environment.

The School is aiming to build stronger partnerships with other organisations to support the development of a curriculum and way of teaching that can be a pioneering influence within the educational landscape. Aligned to this, there are plans to host learning events for educators to explore themes of human-scale education, play-based learning and democratic schools.

The School is investing in professional development opportunities for staff to strengthen their skill and understanding and to support the development work that is being undertaken on the curriculum and teaching and learning. It is also looking at ways in which it can further develop its outreach into the local community, both in making provision for and access to opportunities within the School for others.

The School will continue to educate other organisations about its Human Scale philosophy locally, and globally, by allowing visitors to study the School, as well as updating the website and literature.

Structure, governance and management

Governing Document

Park School is a company limited by guarantee governed by its Memorandum and Articles of Association, and was incorporated on 4 September 1987. It is registered as a charity with the Charity Commission. The liability of the Members is limited. In the event of the Company being wound up every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets.

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Council of Governance, who served during the year and since the year end, were entitled to vote and were all members of the Company were:

Heidi Strawson	(Resigned 30 July 2020)
Nathan Gribble	
John Woodhouse	(Resigned 2 December 2019)
Melody Easter	(Resigned 4 January 2021)
Haydn Thomas	(Resigned 16 September 2019)
Alison Amherst	
Sallyann Crowe	(Resigned 15 July 2020)
Adam Cohen	(Appointed 16 September 2019 and resigned 25 January 2021)
Abigail Page	(Appointed 2 December 2019 and resigned 25 January 2021)
Dan Janota	(Appointed 2 December 2019)
Nicholas Harrison	(Appointed 10 February 2020)
Fran Wilby	(Appointed 25 January 2021)
Patricia Gaya	(Appointed 25 January 2021)

The members of the Council of Governance entitled to vote constitute the Board of Trustees for the purpose of charity law and the Board of Directors for the purpose of company law. They were all members of the company during their office.

Melody Easter became Chair of Council with effect from 1 September 2020 until 4 January 2021, Nicolas Harrison was then appointed as Chair from 25 January 2021.

Appointment of Members of the Council of Governance

The Council has the right, at any time, to appoint any person to be a member of the Council of Governance.

Recruitment and induction of Members of the Council of Governance

The Council of Governance attracts applicants through annual elections, word of mouth and personal recommendations. It may occasionally recruit through advertisement in local papers and other avenues. The Council is usually made up of approximately 2-3 educational experts, a lay chair (also Company Secretary during the 2019-20 school year), and 2 elected parent members (who serve 2 year terms and are staggered annually). The Council aims to have up to 8 voting members.

New Council members are provided with an induction pack which contains our accounts, our governing document and recent Council minutes. All Council Members are also expected to undertake safeguarding training. They also have an initial meeting with the Chair of Council and/or Head Teacher.

Organisational structure and how decisions are made

The structure is that the Council of Governance has overall responsibility for the School. This includes two nominated parents who are elected to the governing body by the parent body; they hold tenure for two years. Other Council members are experts in their field and are co-opted. The Council also has an observer member who is a teacher representative, and other members of staff may attend. The Head Teacher is also a non-voting member of the Council. Decisions are normally made by consensus; however, the Council also has the option of going to vote.

PARK SCHOOL

THE COUNCIL OF GOVERNANCE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Arnet Donkin, appointed as Interim Headteacher from January 2020, has subsequently been appointed as substantive Headteacher from January 2021. The Headteacher is responsible for the day to day leadership and management of the School.

On behalf of the Council of Governance



Nicholas Harrison

Trustee

Dated: 6/5/21

PARK SCHOOL

INDEPENDENT EXAMINER'S REPORT

TO THE COUNCIL OF GOVERNANCE OF PARK SCHOOL

I report to the Council of Governance on my examination of the financial statements of Park School (the Charity) for the year ended 31 August 2020.

Responsibilities and basis of report

As the Council of Governance of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

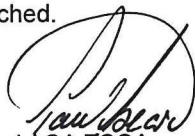
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Paul Beard ACA FCCA
Darnells Chartered Accountants
30 Fore Street
Totnes
Devon
TQ9 5RP

Dated: 12th May 2021

PARK SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Notes							
<u>Income and endowments from:</u>							
Voluntary income	2	4,092	5,250	9,342	5,184	600	5,784
Charitable activities	3	297,517	29,252	326,769	339,715	16,528	356,243
Investments	4	1,482	-	1,482	1,640	-	1,640
Other income	5	19,040	95	19,135	12,294	90	12,384
Total income		322,131	34,597	356,728	358,833	17,218	376,051
<u>Expenditure on:</u>							
Raising funds	6	714	-	714	1,777	-	1,777
Charitable activities	7	362,207	29,947	392,154	387,222	16,618	403,840
Total resources expended		362,921	29,947	392,868	388,999	16,618	405,617
Net (expenditure)/income for the year/ Net movement in funds							
		(40,790)	4,650	(36,140)	(30,166)	600	(29,566)
Fund balances at 1 September 2019							
		328,327	600	328,927	358,493	-	358,493
Fund balances at 31 August 2020							
		287,537	5,250	292,787	328,327	600	328,927

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PARK SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		28,019		33,381
Investments	12		19,534		18,093
			<u>47,553</u>		<u>51,474</u>
Current assets					
Stocks		228		366	
Debtors	13	17,978		12,631	
Cash at bank and in hand		263,567		314,474	
		<u>281,773</u>		<u>327,471</u>	
Creditors: amounts falling due within one year	14	(36,539)		(50,018)	
Net current assets			245,234		277,453
Total assets less current liabilities			<u>292,787</u>		<u>328,927</u>
Income funds					
Restricted funds	16		5,250		600
Unrestricted funds			287,537		328,327
			<u>292,787</u>		<u>328,927</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Council Of Governance on 26/4/21



Nicholas Harrison
Trustee

6/5/21

Company Registration No. 02161405

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Park School is a private company limited by guarantee incorporated in England and Wales. The registered office is Park Road, Dartington Hall, Totnes, Devon, TQ9 6EQ.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cashflows.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Council of Governance in furtherance of their charitable objectives.

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

1.3 Incoming resources

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

Income from school fees is recognised in incoming resources in the period that the student has received tuition from the School.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

Intangible income is not included unless it represents goods or services which would have otherwise been purchased. Gifts in kind are valued and brought in as income as appropriate according to their class. Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Trustees.

Other than deducting bursaries from gross school fees, none of the incoming resources have been included net of expenditure. Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. Deposits and school fees paid in advance for future periods are deferred.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.4 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, and are recognised when there is a legal or constructive obligation to pay for expenditure.

Certain expenditure is directly attributable to specific functional activities and has been included in those cost categories. Certain other costs, which are attributable to more than one functional activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or based on the estimated use of the resource concerned or space occupied.

The Charity is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost of all fixed assets, less their estimated residual value, over their expected useful economic lives on the following basis:

Leasehold property	20% per annum - reducing balance
Computer equipment	33% per annum - reducing balance
Furniture and equipment	20% per annum - reducing balance

Assets within leasehold property that could not be moved to a new site are written off over the term of the lease.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.11 Retirement benefits

The Charity contributes to the Teachers' Pensions Scheme (England and Wales) at rates set by the Scheme Actuary and advised to Council by the Scheme Administrator.

The Charity also contributes to a defined contribution scheme for non-teaching staff at 6% of basic pay.

1.12 Leases

Rentals payable under operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the term of the relevant lease.

1.13 Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

1.14 Governance costs

Governance costs comprise the costs of running the Charity, including strategic planning for its future development, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.15 Employee benefits

Termination benefits are recognised as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Voluntary income

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations and gifts	4,092	-	4,092	5,184
Frederick Mulder Foundation for curriculum development	-	5,000	5,000	-
Donation for equipment for outdoor learning Institute of Physics for Renewable Energy project	-	250	250	-
	-	-	-	600
	4,092	5,250	9,342	5,784
	=====	=====	=====	=====
For the year ended 31 August 2019	5,184	600		5,784
	=====	=====		=====

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

3 Charitable activities

	2020 £	2019 £
School fees	329,500	360,957
Less bursaries	(2,731)	(4,714)
	<u>326,769</u>	<u>356,243</u>
Analysis by fund		
Unrestricted funds	297,517	
Restricted funds	29,252	
	<u>326,769</u>	
For the year ended 31 August 2019		
Unrestricted funds		339,715
Restricted funds		16,528
		<u>356,243</u>

4 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	<u>1,482</u>	<u>1,640</u>

5 Other income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Registration fees	300	-	300	325
School trips and plays	715	-	715	4,842
Other income	4,282	95	4,377	7,217
Coronavirus Job Retention Scheme	13,743	-	13,743	-
	<u>19,040</u>	<u>95</u>	<u>19,135</u>	<u>12,384</u>
For the year ended 31 August 2019	<u>12,294</u>	<u>90</u>		<u>12,384</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Raising funds

	2020	2019
	£	£
<u>Costs of generating voluntary income</u>		
Advertising	173	352
Other fundraising costs	541	1,425
	<u>714</u>	<u>1,777</u>

7 Charitable activities

	2020	2019
	£	£
Staff costs	237,356	216,207
Depreciation and impairment	7,872	8,935
School trips	1,451	3,854
Additional teaching	9,699	31,503
Books and teaching supplies	3,819	6,012
Milk	251	406
Loss on disposal of assets	666	6
Rent and rates	33,848	33,794
Cleaning and waste collection	12,174	13,789
Repairs and maintenance	1,391	1,557
Computer maintenance	2,310	2,338
Insurance	4,985	4,560
Utilities	7,959	8,721
	<u>323,781</u>	<u>331,682</u>
Share of support costs (see note 8)	55,169	55,717
Share of governance costs (see note 8)	13,204	16,441
	<u>392,154</u>	<u>403,840</u>
Analysis by fund		
Unrestricted funds	362,207	
Restricted funds	29,947	
	<u>392,154</u>	
For the year ended 31 August 2019		
Unrestricted funds		387,222
Restricted funds		16,618
		<u>403,840</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Staff costs	27,811	3,090	30,901	26,324
Bad debts	2,743	-	2,743	-
Staff recruitment costs	5,794	-	5,794	84
Phone postage stat'nery	2,050	-	2,050	2,838
Photocopier leasing	1,163	-	1,163	1,163
Sundries	1,626	-	1,626	1,286
Consultancy costs	13,982	-	13,982	26,654
Legal and professional	-	420	420	420
Independent examiner's fee	-	2,196	2,196	2,100
Bank charges	-	408	408	272
Regulatory fees	-	2,234	2,234	507
Consultancy costs	-	4,680	4,680	10,415
Sundries	-	176	176	95
	<u>55,169</u>	<u>13,204</u>	<u>68,373</u>	<u>72,158</u>
Analysed between				
Charitable activities	<u>55,169</u>	<u>13,204</u>	<u>68,373</u>	<u>72,158</u>

Governance costs includes payments to the independent examiner of £2,100 (2019: £2,100) for independent examination fees and £96 (2019: £nil) for other services.

9 Council Of Governance

None of the Trustees (or any persons connected with them) received any remuneration or expenses during the year (2019: £nil) for their services as Trustees.

During the previous year a purchase was made for £18 from Safeguarding Network of which John Woodhouse, then Trustee, is a director. This was at normal market rates.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Teaching	13	14
Administration	2	2
	<u>15</u>	<u>16</u>

Employment costs

	2020 £	2019 £
Wages and salaries	225,547	209,073
Social security costs	11,719	11,339
Other pension costs	30,991	22,119
	<u>268,257</u>	<u>242,531</u>

In the year one employee received a termination payment of £1,669 (2019: £3,947) and gross pay in lieu of notice of £8,331 (2019: £6,053).

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Leasehold property £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1 September 2019	121,365	10,791	24,027	156,183
Additions	-	3,176	-	3,176
Disposals	-	(3,915)	(6,326)	(10,241)
	<u>121,365</u>	<u>10,052</u>	<u>17,701</u>	<u>149,118</u>
At 31 August 2020				
Depreciation and impairment				
At 1 September 2019	95,840	8,358	18,604	122,802
Depreciation charged in the year	5,105	1,760	1,007	7,872
Eliminated in respect of disposals	-	(3,640)	(5,935)	(9,575)
	<u>100,945</u>	<u>6,478</u>	<u>13,676</u>	<u>121,099</u>
At 31 August 2020				
Carrying amount				
At 31 August 2020	<u>20,420</u>	<u>3,574</u>	<u>4,025</u>	<u>28,019</u>
At 31 August 2019	<u>25,525</u>	<u>2,433</u>	<u>5,423</u>	<u>33,381</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

12 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2019	18,093
Additions	1,441
At 31 August 2020	19,534
Carrying amount	
At 31 August 2020	19,534
At 31 August 2019	18,093

Fixed asset investments comprise UK bank bonds and capital reserves.

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Fee debtors	13,901	9,022
Other debtors	4,077	3,609
	17,978	12,631

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	6,478	5,731
Fees received in advance	30,061	44,287
	36,539	50,018

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

15 Retirement benefit schemes

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the NEST pension scheme for its non teaching staff.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

(a) Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in schools. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The pension costs are assessed in accordance with the advice of independent qualified actuaries.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £26,380 (2019: £17,669).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

15 Retirement benefit schemes

(Continued)

(b) NEST pension scheme

The School also runs a defined contribution scheme for its non teaching staff. The employer's contribution is 6% of gross pay and £4,611 (2019: £4,450) was paid in the year.

16 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2019	Movement in funds		Balance at 31 August 2020
	£	Incoming resources £	Resources expended £	£
Institute of Physics	600	-	(600)	-
EHCP funding	-	29,252	(29,252)	-
Virgin Enterprise Scheme Deposit	-	95	(95)	-
Frederick Mulder Foundation	-	5,000	-	5,000
Outdoor learning equipment	-	250	-	250
	<u>600</u>	<u>34,597</u>	<u>(29,947)</u>	<u>5,250</u>

The donation from the Institute of Physics was to fund a project as part of the Renewable Energy Technologies in Action scheme.

The EHCP funding was for two pupils to attend the School for the whole academic year.

The donation from Virgin Enterprise was funding for a small enterprise scheme in schools.

The Frederick Mulder Foundation funding was for curriculum development.

A donation was received to purchase outdoor learning equipment.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Unrestricted funds

The movement of funds for the year ended 31 August 2020 were as follows:

	Balance at 1 September 2019	Movement in funds			Balance at 31 August 2020
	£	Incoming resources £	Resources expended £	Transfers £	£
Designated fund - bursary capital fund	18,093	-	-	1,441	19,534
Designated fund - In extremis fund	117,500	-	-	22,500	140,000
General unrestricted funds	192,734	322,131	362,921	(23,941)	128,003
	<u>328,327</u>	<u>322,131</u>	<u>362,921</u>	<u>-</u>	<u>287,537</u>

The Council has designated certain parts of the unrestricted funds as detailed above. The designated funds above all represent balances at bank of which £19,534 is held in investments in a capital bank reserve.

The Trustees have built up the bursary capital fund to enable future bursaries to be offered and a further transfer of £1,441 from unrestricted general funds for this purpose was made in the year.

The Trustees designated a further £22,500 to the Extremis fund in the year so the fund balance represents a realistic assessment of financial commitments in these circumstances.

18 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	28,019	-	28,019	33,381	-	33,381
Investments	19,534	-	19,534	18,093	-	18,093
Current assets/ (liabilities)	239,984	5,250	245,234	276,853	600	277,453
	<u>287,537</u>	<u>5,250</u>	<u>292,787</u>	<u>328,327</u>	<u>600</u>	<u>328,927</u>

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases for land and buildings due in under one year of £31,051 (2019: £30,353) and for equipment due between two and five years of £3,102 (2019: £4,362).

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Related party transactions

There were no disclosable related party transactions in the year. In the previous year a purchase of £18 was made from Safeguarding Network of which John Woodhouse, then trustee, is a director. This was paid at normal market rates.

21 Share Capital

The company is limited by guarantee having no share capital. In the event of a winding up each member agrees to contribute a sum not exceeding £1.

