

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 2021

PARK SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Council of Governance	Nathan Gribble Alison Amherst Dan Janota Fran Wilby Patricia Gaya Rebecca Giraud Matthew Whitton	(Appointed 25 January 2021) (Appointed 25 January 2021) (Appointed 13 September 2021) (Appointed 13 September 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 Totnes Devon TQ9 5RP	
Bankers	Cooperative Bank PLC P.O. Box 101 1 Balloon Street Manchester M60 4EP NatWest Bank Plc 15 Victoria Street Paignton TQ4 5DE NS&I Glasgow G58 1SB	
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 2021

The Council of Governance present their report and financial statements for the year ended 31 August 2021.

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, considering 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 2021

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.

At the end of the school year, 2020 - 21, 68 children were registered at the school. This was comprised of 51 children registered for full-time education in the main school (years 1 – 6) and 17 children registered in the early years provision (nursery and reception, 3 – 5 years).

During the year, including those leaving in-year, a total of 72 children accessed education at the School.

Places funded by the local authority were provided for 3 children with an Education, Health Care Plan including 1 child deemed a 'Looked after Child' (in the care of the Public Authority).

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 recognises that access to education at Park School will be limited and as such, seeks to promote the pedagogy and approach developed at the School more widely to the educational community by providing 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 that access to education at Park School is not restricted by financial means. Fees are arranged on a sliding scale based on family circumstances. Bands A and B are set below the nominal cost of educating a child at the School; 9 families accessed places in the School on the Bursary fee bands which are set below the average cost of a place at Park School.

In addition to the reduced cost Bursary Fee Bands, a limited number of exceptional bursaries are available on application to families whose children are enrolled at the School where a family may be experiencing exceptional financial hardship that might otherwise require them to withdraw their child from the School. In 2020-21 the School offered bursaries in the year with a total value of £5,712 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 2021

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.

Dan Janota, Co-Chair wrote 'Whilst 2020/21 found 'uncertainty' battling with 'unprecedented' for word of the year, Park School has demonstrated a strength of community we are supremely proud of. Our teaching staff have helped to navigate pupils through the challenges of the pandemic, whilst each facing their own personal difficulties, developing home learning, and supporting families with key workers. Periods of time at home only further demonstrated the value of the School and its grounds to our pupils and parents.

New School Council Members have worked closely with leadership to respond to the ISI compliance inspection, though the Council has struggled to retain a long-term Chair. The appointment of a permanent Head Teacher has given a greater sense of stability and despite significant pressures in day-to-day management our committed staff have amongst other things, found time for curriculum development and the formation of a partnership with Dynamic Adventures with the provision of extended activities beyond the school day. We have then begun the process of developing a long-term strategic vision, engaging with pupils and parents to capture and foster the essence of Park School, whilst identifying how we continually develop our role in progressive education in a way which better reaches out to our local area, and the broader educational community.

This increased awareness and clarity in Park School's offer of a nurturing and creative education inside and outside the classroom has led to many new families joining the School, and a strong demand for pupil places. This ensures that the School is in a robust position to continue developing its relevance in progressive education, and its role in our community, and we end our year with a gratitude for the energy invested in the School and a sense of real pride in our pupils.'

Arnet Donkin, Headteacher, wrote 'Sometimes, when faced with the biggest challenges we can find exciting new opportunities. Amid the pandemic the School has grown from strength to strength. Not only in seeing an increased demand for the alternative model of education that Park School provides; one based on the values of human-scale education, democracy, equality, sustainability and relationships, the School has also forged new partnerships and re-discovered in a fresh way the excitement of learning.

As a staff group, the challenge to switch to provide remote teaching made us think carefully about what is different in the way we deliver our education. It would have been easy to fall into teacher prescribed tasks and exercises, however, across the School teachers have sought to explore how children could still be given opportunities for child-led learning, enquiry, and autonomy.'

We were delighted to have students from the University College Marjon, Plymouth, to work with us to introduce the children to animation. This was a wonderful opportunity to introduce some of the next generation of aspiring teachers to a positive way of relating to children based on the values of human-scale education.

We have been working hard at developing the way that we introduce our youngest children in years 1 and 2 to literacy, recognising this to be the foundation stone for future, more independent learning. We were delighted that some of this cohort had writings selected to be published in an anthology of children's writing.

PARK SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

How do we measure the success of children at Park School?

We encourage children to explore and learn at their own pace, they learn about making sensible and responsible choices and self-responsibility; the curriculum gives children the opportunity to think, explore and discover, to engage in learning which develops critical thinking and curiosity.

The School does not use formal testing to measure the success of children's learning and progress, rather teachers' use a range of formative assessment, identifying children's progress through their engagement with and the outcomes of their learning. Listening carefully to the questions that children ask, their responses to challenges; their ability to manage more complex interactions socially and to take greater responsibility for themselves and others.

Children's progress is tracked against learning progression within five key areas; language, literacy and mathematics, environment and sustainability, understanding the world around us, wellbeing and personal and development, valuing and respecting ourselves and others, and reported on annually to parents.

A key measure of success is the readiness of children to progress to their next school, to be confident and to be able to make the transition well. We are proud to say that our children repeatedly make successful transitions to a broad range of different schools ranging from those of a similar nature and ethos to Park School, to those with more academic and traditional approaches.

Challenges arising from COVID-19 Pandemic.

The School's operations have continued to be significantly 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 continued to operate by maintaining a virtual school offer for all pupils, including those in the early years setting and maintained positive links with pupils and their families.

To manage costs through the first lockdown, all potential cost-savings were explored, including several staff who were furloughed. This, along with 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 was required to close for all pupils except for early years, key worker, and vulnerable children. The School provided on-site education for a substantial number of families who were key-workers or where children were classed as 'vulnerable' in line with the Government's expectations. Whilst increasing pressure on the School at this time, the offer made to families who were able to access this provision was highly valued enabling key-workers to engage with their essential work. The provision also well-met the needs of some children, whom for several reasons, were struggling with the isolation of lock-down and who found it difficult to engage in remote learning.

Despite the increased costs associated with our Covid-19 response, including increased staff costs, purchasing of new I.T. equipment etc., 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 continues to take place to ensure that the School can manage these pressures effectively.

PARK SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

There was a surplus on unrestricted activities for the year to 31 August 2021 of £77,660 (2020: deficit of £40,790) and a breakeven (2020: surplus of £4,650) on restricted funds.

The significant deficit for restricted activities in the previous year reflected the impact of the global pandemic. The response of the School to the pandemic and an increased awareness of what the School can offer has resulted in increased pupil numbers for the year which is reflected in the significant surplus arising.

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.

At 31 August 2021 total funds amounted to £370,447 (2020: £292,787) with restricted funds of £5,250 (2020: £5,250).

Reserves policy

Free reserves at 31 August 2021 stand at £320,062.

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.

Risk Management

The School has considered the principal risks to which it is subject and has taken adequate steps to mitigate those risks. These include an annual review of the financial risks the School may face and the implementation of satisfactory procedures to ensure that the School offers a safe and constructive environment for children.

Key controls include regular risk assessment checks of all areas and regularly reviewed policies, which are available to parents, the Independent Schools Association and other interested parties.

The Council of Governance is always conscious of the need for the School to operate within its available financial resources and to have adequate working capital.

Plans for future periods

The School continues to work on the four key aims of the development plan (as detailed previously) and to develop a long-term strategic plan to secure the long-term future and relevance of the School.

The priority focus for the year ahead is on securing the future of the School through a long-term strategy, working with the School's landlord, Dartington Hall Trust, to ensure plans are in place for essential maintenance and development work on the site; the curriculum and pedagogy and building community and wider connections with other educational professionals and organisations.

The School has entered into a new partnership with Schumacher College and is delighted to be able to host a 'studentship' for a Masters level student who will work closely with staff in exploring ways of building stronger connection through the curriculum, and in particular, gardening, with the environment and sustainability in ways 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.

PARK SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

The School is keen 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, discussions are taking place with Plymouth University to host learning events for educators to explore themes of human-scale education, play-based learning, and democratic schools.

The School continues to invest in professional development opportunities for staff to strengthen their skills and understanding and to support the development work that is being undertaken on the curriculum, 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.

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:

Nathan Gribble	
Melody Easter	(Resigned 4 January 2021)
Alison Amherst	
Adam Cohen	(Resigned 25 January 2021)
Abigail Page	(Resigned 25 January 2021)
Dan Janota	
Nicholas Harrison	(Resigned 5 July 2021)
Fran Wilby	(Appointed 25 January 2021)
Patricia Gaya	(Appointed 25 January 2021)
Rebecca Giraud	(Appointed 13 September 2021)
Matthew Whitton	(Appointed 13 September 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.

Nicholas Harrison was Chair of Council with effect from 25 January 2021 until 5th July 2021, Dan Janota and Patricia Gaya were then appointed as Co-Chairs from 5th July 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.

PARK SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

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 comprised of members who bring a range of relevant expertise. Members are co-opted as required to bring a balance of skills and knowledge to the Council. The Council aims to have 8 members as a minimum however this number can be exceeded to ensure the Council has the necessary range of skills and expertise required.

An induction programme is in place for new members which includes training in the role of governance of an independent school, safeguarding responsibilities and familiarisation with the School, including school finance.

Organisational structure and how decisions are made

The structure is that the Council of Governance has overall responsibility for the School. Other members are experts in their field or bring an interest in human scale education and are co-opted. The Council also has an observer member who is a staff representative, and other members of staff may attend meetings. 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.

Arnet Donkin was appointed Head Teacher from January 2021. The Head Teacher is responsible for the day-to-day leadership and management of the School.

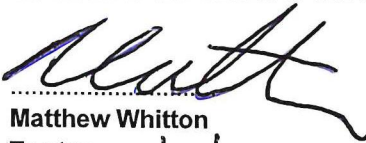
How staff pay is set

Park School values staff and the contribution that they make to both the children's learning and also to the wider School community. We choose to look to the minimum wage set by the Real Living wage Foundation as a minimum salary level for all staff, we do this because we believe that all staff should be paid at a level which meets every day basic needs.

Teaching staff, including the Head Teacher, are paid on an incremental scale which sits within the National Pay Scales for teachers but does not extend to the full range of pay awarded to teaching staff within the National pay scales. Teachers pay is reviewed annually with the opportunity to make pay progression within an agreed incremental range subject to satisfactory performance review.

With all pay levels, the School takes account of current pay levels locally and nationally for similar jobs and seeks to draw a balance of valuing staff and reflecting current market pay levels and the budget pressures of being a small school which seeks to be financially inclusive in enabling a broad range of families to access the School with their children.

On behalf of the Council of Governance



Matthew Whitton

Trustee

Dated: 17/5/22

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 2021.

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.

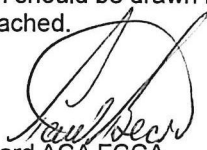
Independent examiner's statement

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: 25th May 2022

PARK SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Voluntary income	2	1,168	-	1,168	4,092	5,250	9,342
Charitable activities	3	436,331	58,348	494,679	297,517	29,252	326,769
Investments	4	357	-	357	1,482	-	1,482
Other income	5	6,545	-	6,545	19,040	95	19,135
Total income		444,401	58,348	502,749	322,131	34,597	356,728
<u>Expenditure on:</u>							
Raising funds	6	612	-	612	714	-	714
Charitable activities	7	366,129	58,348	424,477	362,207	29,947	392,154
Total resources expended		366,741	58,348	425,089	362,921	29,947	392,868
Net income/(expenditure) for the year/							
Net movement in funds		77,660	-	77,660	(40,790)	4,650	(36,140)
Fund balances at 1 September 2020							
		287,537	5,250	292,787	328,327	600	328,927
Fund balances at 31 August 2021							
		365,197	5,250	370,447	287,537	5,250	292,787

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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		25,599		28,019
Investments	12		19,536		19,534
			<u>45,135</u>		<u>47,553</u>
Current assets					
Stocks		325		228	
Debtors	13	23,944		17,978	
Cash at bank and in hand		357,128		263,567	
		<u>381,397</u>		<u>281,773</u>	
Creditors: amounts falling due within one year	14	(56,085)		(36,539)	
Net current assets			<u>325,312</u>		<u>245,234</u>
Total assets less current liabilities			<u>370,447</u>		<u>292,787</u>
Income funds					
Restricted funds	16		5,250		5,250
Unrestricted funds			365,197		287,537
			<u>370,447</u>		<u>292,787</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 2021.

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 16/5/22


Matthew Whitton
Trustee

Company Registration No. 02161405

PARK SCHOOL

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		97,844		(47,772)
Investing activities					
Purchase of tangible fixed assets		(4,638)		(3,176)	
Purchase of investments		(2)		(1,441)	
Investment income received		357		1,482	
Net cash used in investing activities			(4,283)		(3,135)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			93,561		(50,907)
Cash and cash equivalents at beginning of year			263,567		314,474
Cash and cash equivalents at end of year			357,128		263,567

PARK SCHOOL

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

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 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 2021

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 2021

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 2021

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	Unrestricted funds	Restricted funds	Total
	2021 £	2020 £	2020 £	2020 £
Donations and gifts	1,168	4,092	5,250	9,342
	=====	=====	=====	=====
Donations and gifts				
Donations and gifts	1,168	4,092	-	4,092
Frederick Mulder Foundation for curriculum development	-	-	5,000	5,000
Donation for equipment for outdoor learning	-	-	250	250
	=====	=====	=====	=====
	1,168	4,092	5,250	9,342
	=====	=====	=====	=====

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

3 Charitable activities

	2021 £	2020 £
School fees	500,391	329,500
Less bursaries	(5,712)	(2,731)
	<u>494,679</u>	<u>326,769</u>
Analysis by fund		
Unrestricted funds	436,331	
Restricted funds	58,348	
	<u>494,679</u>	
For the year ended 31 August 2020		
Unrestricted funds		297,517
Restricted funds		29,252
		<u>326,769</u>

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>357</u>	<u>1,482</u>

5 Other income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Registration fees	750	-	750	300
School trips and plays	2,648	-	2,648	715
Other income	3,147	-	3,147	4,377
Coronavirus Job Retention Scheme	-	-	-	13,743
	<u>6,545</u>	<u>-</u>	<u>6,545</u>	<u>19,135</u>
For the year ended 31 August 2020	<u>19,040</u>	<u>95</u>		<u>19,135</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

6 Raising funds

	2021	2020
	£	£
<u>Costs of generating voluntary income</u>		
Advertising	57	173
Other fundraising costs	555	541
	<hr/>	<hr/>
	612	714
	<hr/>	<hr/>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Charitable activities

	2021 £	2020 £
Staff costs	270,045	237,356
Depreciation and impairment	7,058	7,872
School trips	370	1,451
Additional teaching and training	21,037	9,699
Books and teaching supplies	5,303	3,819
Milk	-	251
Loss on disposal of assets	-	666
Rent and rates	34,912	33,848
Cleaning and waste collection	15,180	12,174
Repairs and maintenance	3,167	1,391
Computer maintenance	2,984	2,310
Insurance	6,221	4,985
Utilities	5,646	7,959
Covid costs	679	-
	<u>372,602</u>	<u>323,781</u>
Share of support costs (see note 8)	40,382	55,169
Share of governance costs (see note 8)	11,493	13,204
	<u>424,477</u>	<u>392,154</u>
Analysis by fund		
Unrestricted funds	366,129	
Restricted funds	58,348	
	<u>424,477</u>	
For the year ended 31 August 2020		
Unrestricted funds		362,207
Restricted funds		29,947
		<u>392,154</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	31,770	3,530	35,300	30,901
Bad debts	-	-	-	2,743
Staff recruitment costs	2,143	-	2,143	5,794
Phone postage stat'nery	1,605	-	1,605	2,050
Photocopier leasing	1,064	-	1,064	1,163
Sundries	942	-	942	1,626
Consultancy costs	2,858	-	2,858	13,982
Legal and professional	-	1,462	1,462	420
Independent examiner's fee	-	2,889	2,889	2,196
Bank charges	-	(22)	(22)	408
Regulatory fees	-	3,192	3,192	2,234
Consultancy costs	-	17	17	4,680
Sundries	-	425	425	176
	<u>40,382</u>	<u>11,493</u>	<u>51,875</u>	<u>68,373</u>
Analysed between				
Charitable activities	<u>40,382</u>	<u>11,493</u>	<u>51,875</u>	<u>68,373</u>

Governance costs includes payments to the independent examiner of £2,520 (2020: £2,100) for independent examination fees and £369 (2020: £96) for other services.

9 Council Of Governance

None of the Trustees (or any persons connected with them) received any remuneration (2020: £nil) or expenses during the year (2020: £nil) for their services as Trustees.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching	14	13
Administration	2	2
	<u>16</u>	<u>15</u>

Employment costs

	2021 £	2020 £
Wages and salaries	256,076	225,547
Social security costs	14,318	11,719
Other pension costs	34,951	30,991
	<u>305,345</u>	<u>268,257</u>

In the previous year one employee received a termination payment of £1,669 and gross pay in lieu of notice of £8,331.

The total employee benefits of the charity's key management personnel for the year were £59,016.

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 2020	121,365	10,052	17,701	149,118
Additions	-	4,638	-	4,638
	<u>121,365</u>	<u>14,690</u>	<u>17,701</u>	<u>153,756</u>
At 31 August 2021				
Depreciation and impairment				
At 1 September 2020	100,945	6,478	13,676	121,099
Depreciation charged in the year	4,085	2,166	807	7,058
	<u>105,030</u>	<u>8,644</u>	<u>14,483</u>	<u>128,157</u>
At 31 August 2021				
Carrying amount				
At 31 August 2021	<u>16,335</u>	<u>6,046</u>	<u>3,218</u>	<u>25,599</u>
At 31 August 2020	<u>20,420</u>	<u>3,574</u>	<u>4,025</u>	<u>28,019</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

12 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2020	19,534
Additions	2
	<u>19,536</u>
At 31 August 2021	<u>19,536</u>
Carrying amount	
At 31 August 2021	<u>19,536</u>
At 31 August 2020	<u>19,534</u>

Fixed asset investments comprise UK bank bonds and capital reserves.

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Fee debtors	12,984	13,901
Other debtors	10,960	4,077
	<u>23,944</u>	<u>17,978</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	2,485	-
Trade creditors	3,647	6,478
Fees received in advance	49,953	30,061
	<u>56,085</u>	<u>36,539</u>

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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.

Contributions of £1,226 were payable at 31 August 2021 (2020 £nil).

(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 £27,976 (2020: £26,380).

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.

(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 £6,975 (2020: £4,611) was paid in the year.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 2020	Movement in funds		Balance at 31 August 2021
	£	Incoming resources £	Resources expended £	£
EHCP funding	-	58,348	(58,348)	-
Frederick Mulder Foundation	5,000	-	-	5,000
Outdoor learning equipment	250	-	-	250
	<u>5,250</u>	<u>58,348</u>	<u>(58,348)</u>	<u>5,250</u>

The EHCP funding was for three pupils to attend the School.

The Frederick Mulder Foundation funding was for curriculum development.

A donation was received to purchase outdoor learning equipment.

17 Unrestricted funds

The movement of funds for the year ended 31 August 2021 were as follows:

	Balance at 1 September 2020	Movement in funds			Balance at 31 August 2021
	£	Incoming resources £	Resources expended £	Transfers £	£
Designated fund - bursary capital fund	19,534	-	-	2	19,536
Designated fund - In extremis fund	140,000	-	-	6,300	146,300
General unrestricted funds	128,003	444,401	366,741	(6,302)	199,361
	<u>287,537</u>	<u>444,401</u>	<u>366,741</u>	<u>-</u>	<u>365,197</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 £19,536 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 £2 from unrestricted general funds for this purpose was made in the year.

The Trustees designated a further £6,300 to the Extremis fund in the year so the fund balance represents a realistic assessment of financial commitments in these circumstances.

PARK SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	25,599	-	25,599	28,019	-	28,019
Investments	19,536	-	19,536	19,534	-	19,534
Current assets/(liabilities)	320,062	5,250	325,312	239,984	5,250	245,234
	<u>365,197</u>	<u>5,250</u>	<u>370,447</u>	<u>287,537</u>	<u>5,250</u>	<u>292,787</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 £32,028 (2020: £31,051) and for equipment due between two and five years of £1,939 (2020: £3,102).

20 Related party transactions

There were no disclosable related party transactions in the year (2020: £nil).

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.

22 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	77,660	(36,140)
Adjustments for:		
Investment income recognised in statement of financial activities	(357)	(1,482)
(Gain)/loss on disposal of tangible fixed assets	-	666
Depreciation and impairment of tangible fixed assets	7,058	7,872
Movements in working capital:		
(Increase)/decrease in stocks	(97)	138
(Increase) in debtors	(5,966)	(5,347)
Increase/(decrease) in creditors	19,546	(13,479)
Cash generated from/(absorbed by) operations	<u>97,844</u>	<u>(47,772)</u>

