

# Parentkind

Parentkind

Report and Accounts  
for the year ended 31 December 2017  
(formerly Parent Teacher Associations UK)

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## Parentkind - Company Number 3680271

### Company Information as at 31 December 2017

Incorporated	England 2nd December 1998		
Company Number	3680271		
Charity Number	1072833		
Trustees	Joe Saxton, Chair of the Board Steve Bannister Pauline Doohan (resigned 19 <sup>th</sup> June 2018) Jennifer Dyer Doris Neville-Davies Amanda Shepard Gary Sims Yvonne Wood		
Chief Executive	Emma Hunt nee Williams		
Acting Chief Executive	Michelle Doyle Wildman (from 15 May 2017)		
Company Secretary	Chivonne Preston (resigned 12 May 2017) Tara Wright (appointed 25 May 2017, resigned 22 February 2018) Graham Stone (appointed 23 February 2018)		
Registered Office	39 Shipbourne Road Tonbridge Kent TN10 3DS		
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4TA	Aldermore Bank PLC 1st Floor, Block B Western House Lynch Wood Peterborough PE2 6FZ	
Investment Managers	Sarasin and Partners LLP Juxon House 100 St Paul’s Churchyard London EC4M 8BU		
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	Solicitors	Cripps LLP 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS
Insurer	Zurich Insurance plc The Zurich Centre 3000 Parkway Whiteley Fareham Hampshire PO15 7JZ		

## Report of the Trustees for the year ended 31 December 2017

The Trustees are pleased to present their annual report together with the consolidated financial statements of the Charity and its subsidiary for the year ended 31 December 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The information on page 3 forms part of the Trustees' Report.

On 19 February 2018 the Charity officially changed its name from Parent Teacher Associations UK to Parentkind.

### **Objectives, achievements and performance for the public benefit**

#### **Overview**

The principal objects contained within the Charity's memorandum and articles of association are:

*'To advance education by encouraging the fullest co-operation between home and school, education authorities, central government and all other interested parties and bodies.'*

The Trustees agreed a two year strategy in 2016 for the charity to achieve these objects (covering activities up until 2018) and to realise an ambition for more parents to participate in education in more schools, in more ways, for the benefit of all children.

Parentkind's four strategic goals guiding our work in 2016-18 were:

- To build our **FOUNDATIONS** as an organisation, with investment in vital infrastructure
- To **SUPPORT** parents, parent teacher associations (PTAs) and other parent groups towards PTA UK becoming the 'go-to' organisation for parents to get information and other resources on how to participate more in education and school life
- To **ENGAGE** parents, PTAs and other parent groups so that more parents from all walks of life actively participate in education and school life
- To **CHAMPION** the importance of parents, PTAs and other parent groups so that they have the opportunity to be consulted and heard, both locally and nationally.

Our CEO Emma Hunt suffered a stroke in March 2017. She is recovering well and is currently planning to return to work on a phased return basis later in 2018. During the year, the Executive Team was further depleted by the departure of the Business and Operations Director (then Chivonne Preston) in May 2017. In light of these circumstances, the Trustees took the decision to appoint Michelle Doyle Wildman to the position of Acting CEO from May 2017. They also took the opportunity to review the executive team structure and proceeded to work with Michelle to appoint an Operations and Finance Director and Development and Membership Director. These new directors were in post by February 2018. These elements did impact on the available resource and rate of progress in 2017. Details of these are included in the narrative below. However, these testing times showed the resilience of the charity's staff team and their continued effort to both achieve the strategy and planned work areas as well as continuously driving improvement, efficiency and positive outcomes for our beneficiaries.

The Parentkind team consolidated on its success in 2016 and our key achievements in 2017 were:

- The continuous improvement of our PTA membership services including the launch of new member benefits, enhanced member communications and information. This has helped us to retain existing members and recruit new members
- Delivering, for a third year, the **Welcome packs** and **Be School Ready** campaign which aimed to help families starting reception and provide a vehicle for our members to engage them; some 120,000 parents received the packs this year
- Raising the profile of Parentkind and our mission among parents and other stakeholders across Wales, Northern Ireland and England through our public relations and external affairs work
- Developing our relationships with strategic and commercial partners, and increasing our commercial income by 4.7% from 2017
- Managing and developing a programme of training for schools to build their capacity to engage parents and generate a new income stream – following the acquisition of Parent Council UK.

Parentkind's mission is to support, engage and champion parents to participate in children's education. We believe that PTAs provide a great way to do this, so we have sought to continue to improve the support we give to our member associations over the last year so they can be even more successful. We have also dedicated time and resources to engage parents directly in education matters and provided information and toolkits for parents to understand the importance of their role, empower them to take positive action and given them opportunities to have a say. We have also worked hard to increase the profile of Parentkind (and our strategy) and the value of parents working in partnership with teachers and schools for the benefit of all children.

We will now take each of our four strategic goals in turn and report on what we achieved against each goal:

### **(1) Building FOUNDATIONS**

As set out in our 2016-2018 strategy, it was our intention to re-brand and relaunch the organisation (as Parentkind) during Quarter 1 2018. This required a significant investment in our website and other corporate communications during the year. However, we felt this rebrand was crucial to enable us to support, engage and champion all parents and parent groups in schools and increase levels of parental participation in education in the longer term. Another driver for renaming the organisation so that it better reflected the breadth of what we do and our beneficiaries was the acquisition of Parent Councils UK during

## **Parentkind - Company Number 3680271**

2016. As a result of this acquisition we became a training provider to schools and school governors on parent councils and parental engagement and hence provided services beyond supporting parents and PTAs.

We continued to invest in our people during the year so that the organisation is resourced to deliver our strategy to see more parents participating in education. This included recruiting an Operations Manager. To run our schools training programme effectively, we undertook an internal reorganisation and recruited a Training Manager also.

During 2017 Parentkind had seven new starters (including one maternity leave cover) and five leavers (of whom two were on fixed term contracts), resulting in 24 staff in head office and two remote workers at the period end.

We responded to the feedback from our 2016 staff survey by investing in better internal communications, team away days, personal development plans and training. We also improved our employee benefits package which now includes the option for staff to be able to take up to three additional days of leave for volunteering for other organisations. Additionally, Parentkind's Senior Management Team underwent a management development programme during 2017.

We successfully introduced a new PeopleHR online portal during the year to support and streamline our HR administration processes as well as substantially improve our board and governance activities.

We are dedicated to basing our work on evidence. To this end we carried out the following research during the year:

- Our Annual Parent Survey
- Teacher and Head Teacher Survey.

Our key findings from our surveys were:

### **Annual Parent Survey**

- 82% support their child's school (94% support learning at home, 83% attend parent-teacher consultations, 48% take part in surveys or forums, 46% volunteer, 41% make a financial contribution, 29% are active in a PTA)
- 48% want to get more involved (through a PTA, parent council or other volunteering)
- 41% understand government policy (down from 47% in 2016)
- 25% feel listened to by government
- 81% of parents would like schools to consult them on a regular basis (compared to last year (84%))
- However, a much smaller proportion of parents (51%) report that schools are taking action based on their views or feedback (56% in 2016)
- This is particularly true for parents whose children are already in secondary school (50%) or further education (49%) compared to those whose children are in primary school (57%) and for parents from lower socio-economic backgrounds (47% compared to 55% of parents from higher socio-economic groups).

Teacher and Head Teacher survey

**Key findings from the teacher research conducted for us by National Foundation for Education Research (Summer 2017)**

1. Having a written parental engagement plan is more the exception than the norm for schools, with 19% of teachers indicating that their school has one in place
2. However, interestingly, a higher proportion of respondents (24%) report their school having measures in place to track parental engagement, suggesting that this is something schools are striving to do even though a plan has not been formally written
3. Senior Leaders are substantially more likely to note their school's attempts to track parental engagement (38%) than classroom teachers are (18%)
4. 14% of respondents also report proactively tracking parental engagement of the children they teach, with primary school teachers being more likely to do so than secondary school teachers (17% vs 10%)
5. Only 8% of respondents report undertaking CPD on parental engagement, with primary school teachers and senior leaders more likely to say this is the case.

**(2) SUPPORTING Parents, PTAs and other parent groups**

**Our aim for 2016-18 was to:**

- Review our current membership offer and support our members with improved guidance, ideas and other benefits
- Provide toolkits to help more parents participate in education and school life
- Devise and support new types of parent groups to suit the changing educational landscape
- Get feedback so we can continuously improve our services including through regular member feedback and surveys

**Our achievements during 2017:**

We reviewed our membership information and resources and how we deliver this support to our members via our website and our Member Support Line. We streamlined Information sheets, redesigned our web pages for easier access and to enable self-service by our members. Additionally, we further developed our staff training programme to ensure that all our member support is consistent and delivered as helpfully as possible.

In particular, we released guidance for our members in a new and improved 'advice hub' feature which is full of up to date, rich and useful content including matters such as data protection which is due to be much higher profile in 2018 with updated General Data Protection Regulations coming into force.

We continued to target our communications with members so that they are aware of resources and case studies in a timely and helpful way with our 'Back to school' messaging being particularly well received.

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Types of contact with members	At 31 December 2017	At 31 December 2016	% change
PTA UK membership newsletter mailing list numbers	31,888	33,641	-5.2%
Member support via telephone	9,218 (1,157 answerphone included)	7,186	28.3%
Member support via email	4,798	3,254	47.5%
Member support via website	1,380	998	38.3%
Member support via renewals forms (began tracking during the year)	2,137	805	165.5%
Total enquiries from members	17,367	12,243	41.9%

Our membership numbers at the year-end were as follows:

	Year to 31 December 2017	Year to 31 December 2016
Members at start of the year	13,788*	13,949
Lapsed members	(582)	(808)
New members	422	647
Total members at end of year	13,725	13,788
Retention rate	96.4%	94.2%

\*We undertook an audit of our membership data during 2017, resulting in a reduction of 97 members. However since this review, numbers increased and we ended the year at 13,725.

Using school data available from government education departments, we were able to assess our market penetration as follows:

School Type	Parentkind Members	All Schools 2017	% Market Penetration
Primary	11,451	18,885	60.6%
Secondary	1,194	3,851	31.0%
Other schools	897	3,911	22.9%
Total school member	13,542	26,647	50.8%
Non-school members	183		
Grand Total	13,725		

And our presence in the three nations is as follows:

Nation	PTA UK Members	All Schools	% Market Penetration
England	12,437	23,955	51.9%
Wales	766	1,617	47.4%
Northern Ireland	339	1,075	31.5%
Total	13,542	26,647	50.8%

Using government pupil number statistics, we estimate that the work of our members positively impacts as many as 4.6 million children in the UK.

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We continued to work with commercial and other partners to offer a wider range of benefits to help our members be as effective as possible. These include:

- Public Liability Insurance provided by Zurich Insurance plc
- Providing continued discounts or special offers with, among others: Grants for Schools, discounted film licences from MPLC, Booker and Raffle Tickets 4U
- Ongoing promotion of Easyfundraising as a way for our members to raise funds for their schools which saw 4,739 (2016: 3,940) of our member associations raising £682,000 (2016: £590,000) during this period
- Promoted the Aviva community fund which resulted in 56 Parentkind members successfully receiving grants to support their efforts.

As in previous years, Parentkind membership includes access to the Parentkind model constitution which is approved by the charity commissions of England and Wales, and Northern Ireland. Currently 7,701 (56.1%) of our members are known to have charitable status.

### (3) ENGAGING Parents, PTAs and other parent groups

Our aim for 2016-18 was to:

- Communicate with parents on all the ways they can get involved in school life and education and set up a new online community for parents with an interest in education
- Create new partnerships with organisations already working with schools and families
- Run our annual *Be School Ready* campaign for parents with children starting reception.

Our achievements during 2017:

We ran the Parentkind Welcome Packs initiative for the third time in 2017. During the year we increased our circulation - working with over 2,350 of our members, we distributed 120,000 Welcome Packs to parents with children joining reception class. This was supported by the *Be School Ready* communications campaign which reached even more families via social media.

These were met with really positive feedback from both the parents that received them and our members. Member comments included:

*"They were brilliant - a real ice breaker!! The free sample on the front encourage everyone to take one and it gave me an excuse to speak to all the new parents under the cover of 'checking they had one' and now they have a face to associate with the PTA."*

*"This was the first time we'd requested packs and they were brilliant to hand out at the New Parents' Evening as a 'treat'. We had extra copies left over and passed them to the current Reception parents and have since had five new members come forward which is brilliant."*

*"They are everything a new parent needs to know, but in a glossy, attractive and not overwhelming format that we could not produce as a PTA. Our school's Head and YR teacher was very impressed in the professionalism of the publication and felt it enhanced the starting school meeting."*

Facebook continues to be a powerful way of engaging parents directly and for parents and others active in PTAs to relate to each other. By the end of 2017, our 'likes' for our member page grew beyond 36,400 and we had launched a second Facebook page for parents interested in education matters which stands at 2,460 likes.

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We sent seven parent 'eBulletins' to parents who have indicated they would like to receive direct communications regarding parents in education matters (mailing list of 5,887 by the end of 2017) with an impressive average open rate of 39.6% (well above industry average of 25% for not-for-profits). We also published 47 new blogs on our website by both staff and external expert contributors and increased our Twitter following over the course of the year.

Additionally, we began to produce guidance and some social media posts in Welsh in accordance with government guidance.

Further website and social media statistics are as follows:

Communication channel	At 31 December 2017	At 31 December 2016	% change
Website session visits	422,991	331,765	+27.5%
Website unique users	239,007	202,312	+18.1%
Average length of web session (minutes)	2:51	3:05	-7.6%
PTA UK Facebook page 'likes'	36,461	32,522	+5%
Parent Facebook page 'likes'	2,460	1,672	+47.1%
Twitter followers	5,534	4,198	+31.8%
Parent eBulletin mailing list	5,887	2,203	+167.2%

Our Schools Programme Team ran the Parent Councils UK training courses for schools leaders, governors and staff on how to run effective parent councils and engage parents better. Bookings for the courses fell below expectations during quarters 1 and 2 due to financial constraint in schools during 2017. We took steps to increase the targeting of our marketing and make our offering more competitive and recovered some ground in the second half of the year. We learned a lot from this experience and are more confident around delivering and developing our training offering in 2018 so even more schools can be parent-friendly and have the conditions for parent groups to thrive.

Measure	Achievements in 2017
Number of open training sessions	15
Number of bespoke sessions	3
Number of delegates	283

### (4) CHAMPION Parents, PTAs and other parent groups

Our aim for 2016-18 was to:

- Raise awareness of Parentkind, PTAs and parents in education in the media and through better branding
- Promote the values of parents in education to governments in England, Wales and Northern Ireland and others in the education sector
- Ensure our position on government policy is based on what parents tell us in regular surveys and compelling evidence.

**Our achievements during 2017:**

Our parent insight in 2017 gave a clear steer that parents do want to have a say and be more involved in their child's school and education but do not always feel they have the opportunity or are heard. We used all our communication channels to highlight opportunities for parents to have a say on policy throughout the year and have reflected parent views in:

- Department for Education (DfE) Healthy Schools Scheme development consultation
- All-Party Parliamentary Group on Governance and Leadership in Education on school funding session
- Education Policy Institute's Universal Infant Free School Meals (UIFSM) Advisory Group
- Round table with Schools Minister Nick Gibb at conservative party conference
- DfE round table on Personal, Social and Health Education and Relationships and Sex Education (RSE)
- National Governors' Association round table on school governance.

With the election in 2017, we also prepared information for parents on the educational policies of the different political parties.

**Our public affairs highlights included:**

- A stakeholder event with Education Secretary Kirsty Williams held at the Senedd in Cardiff in February 2017
- Working with the Welsh School Inspectorate, Estyn, on a consultation on engaging parents
- We took a group of parents to an all-party parliamentary group meeting on school leadership and governance at the House of Commons to talk about fairer funding of schools
- We launched joint guidance with the National Association of Head Teachers and Association of School and College Leaders on how to build effective home-school partnership at the Festival of Education. This included teacher research conducted by the National Foundation for Education Research
- Joined the stakeholder panel on a study on free school meals by the Education Policy Institute
- Engaging politicians, stakeholders, Parentkind members and schools at our event Titanic, Belfast in November
- Taking part in numerous education conferences including as key note speakers and panel members to give our views on school funding, accountability and parental engagement.

Providing a parent view on school funding dominated our media relations during the year. We had a significant increase in media coverage with up to 326 separate pieces in 2017 (up from 72 in 2016). This included our Acting CEO's appearance on BBC Breakfast in September speaking about our annual parent survey results and as well as writing a regular column in TES. We also spoke at seven external events in 2017 (compared to one last year) to give a parent perspective on various education topics. This helped the delivery of our strategy by raising the profile of the organisation and our mission as well as informing the debate and policy development.

Additionally, we published our findings from our Annual Parent Survey and Teacher and Head Teacher Survey to inform policymakers and debate.

## **Financial Review**

### **Income**

Total incoming resources for the year amounted to £1,489,378 compared with £1,357,863 for 2016 (an increase of £131,515: 9.7%).

Funding was primarily from membership, which provided £1,249,969 of income representing an increase on the prior year of 9% (2016: £1,146,531). This was predominantly due to the full year effect of the inflationary increase applied from September 2016.

The Charity's wholly owned trading subsidiary, NCPTA Enterprises Limited ('NEL'), continued to trade well and income from commercial activity increased to £189,970 from £181,479 in 2016. Our advertising income remained stable, with the Approved Suppliers listing proving popular and the introduction of extra commercial Solus emails to members. Additionally this year we received advertising income from the Welcome Packs.

The Charity received income of £34,492 related to training courses provided to enhance parental reach into schools as part of our wider Schools Programme. We hope to build on this income stream going forward.

In this period, NEL made a payment of £33,441 (2016: £31,562) under Gift Aid to the Charity, representing an increase of 6% on the prior year.

Investment income for the period was £8,547 (2016: £7,135). We appointed Sarasln & Partners LLP as our Investment Managers in November 2016. A full review of investment policy was conducted in the first quarter of 2017 which resulted in the investment of £414,000 in May 2017 in their Alpha CIF for Endowments Long Term Reserve. The investment was valued at £424,568 as at 31 December 2017.

Parentkind does not undertake any direct forms of fundraising from the general public.

### **Expenditure**

Total expenditure for the year amounted to £1,551,357 compared with £1,469,548 in 2016 (an increase of £81,809: 5.6%).

The Trustees recognised that the organisation needed to invest in its brand, parental engagement resources and making the investment in Parent Councils UK as successful as possible.

As a result, specific investments were made in:

- Staff recruitment, training and HR procedures (£56,476)
- Brand development (£56,877)
- Parent Councils UK investment (£63,042) excluding amortisation and impairment
- The continued development of the Salesforce CRM database (£13,770)

The net result of the Charity for the year ended 31 December 2017 was a deficit of £51,411. This is within the budgeted deficit for the year and in line with activities required to deliver the 2016-18 strategy.

### **Reserves policy**

The Trustees believe that in terms of good governance and to ensure the continuity of the organisation and the fulfilment of its charitable aims it is necessary to maintain an adequate level of reserves.

Reserves are the part of Parentkind's unrestricted funds that is freely available to spend on any of the Charity's purposes. This definition excludes restricted income funds and endowment funds, although holding such funds may influence Parentkind's reserves policy.

The Trustees take a risk-based approach to reserves and review the reserves policy annually. The Board has set a reserves policy which requires:

- Reserves to be maintained at a level which ensures that Parentkind's core activity could continue during a period of unforeseen difficulty
- A proportion of reserves to be maintained in a readily realisable form.

The calculation of the required level of reserves takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted
- Planned activity level
- Organisational commitments
- The gap between the spending and receiving of income
- Retaining a level of funding that will allow the Charity to respond to opportunities arising which enable the organisation to meet its strategic objectives.

On this basis, the Trustees consider that the ideal level of reserves as at 31 December 2017 is £450,000 of which at least 20% should be held as cash. At 31 December 2017 the charity held cash of £667,286.

Additionally, Parentkind owns the land and building at 39 Shipbourne Road, Tonbridge, TN10 3DS. The board has agreed to retain the land and building for use of the Charity until such time that the liquidation of the asset is required in order to provide access to free reserves as per the policy.

The balance held in unrestricted funds (excluding tangible and intangible fixed assets) at 31 December 2017 was £1,004,097, of which £172,374 are designated by the trustees as a development fund, to extend our reach in encouraging parental participation in schools, and £33,000 are designated as a capital expenditure fund, to support the future replacement of our IT infrastructure and other assets held by the Charity.

The Charity has reported a deficit both this year and in the prior year. This has been in line with our long term strategy and represents an intentional investment in our business. The Trustees envisage a further deficit for the year ended 31 December 2018 as our strategy is embedded into the organisation (see Plans for future development on page 15). The Trustees are careful to balance the ongoing sustainability of the Charity with the need to invest in achieving the charitable objectives in the future. The Trustees are satisfied that the Charity is operating on a going concern basis, despite these planned deficits.

## **Investment policy and performance**

Parentkind's investment policy is to manage investments in such a way as to:

- Provide supplementary income to enable the Charity to carry out its purposes effectively both in the short term and over the longer term
- Maintain and preserve asset values and where possible, the value of the assets should be enhanced so as to at least keep pace with inflation over the longer term
- Minimise the impact of:
  - Financial loss through inappropriate or speculative investment
  - Unforeseen severe adverse investment conditions
  - Financial loss through lack of investment advice, lack of diversity
  - Cash flow difficulties arising from lack of liquidity.

At 31 December 2017 in addition to the funds invested with Sarasin & Partners LLP the Charity held cash deposits spread between two UK banks. Further investment of these funds will be assessed during 2018 by the Trustees.

## **Structure, Governance and management**

Parentkind is both a company limited by guarantee and a registered charity. It is governed by the Board of Trustees which is collectively responsible for the governance and strategic direction of Parentkind together with its financial health, delivery of public benefit, probity of its activities and the development of the organisation's aims, objectives and goals.

All new Trustee positions are advertised publicly to ensure a diverse board with the right mix of skills is appointed. All Trustees receive a full induction which includes understanding and fulfilling any training needs. Trustees are appointed and reappointed at the AGM for two year periods, to a maximum of eight years. Trustees bring a broad range of experience and skills, and Parentkind values their input across activities. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 15 to the accounts.

Day to day management of the Charity is delegated to the Chief Executive, who manages a team of 26 staff (22.5 full time equivalent), of whom 24 are based in the office and two work remotely.

### **Board and Trustee Development**

The Board meets five times per year, with the following committees meeting at least twice a year consisting of the following Trustees (voting) and Executive staff (non-voting):

- Nominations, Governance and Employment Committee
  - Doris Neville-Davies (Chair)
  - Steve Bannister
  - Yvonne Wood
  - A member of the Executive Team.
- Audit and Finance Committee
  - Gary Sims (Chair)
  - Pauline Doohan
  - Jennifer Dyer
  - Amanda Shepard
  - A member of the Executive Team.

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Our Chair of the Board, Joe Saxton, sits ex officio (with voting rights) on each committee.

Overall Trustee attendance at Committees was an average of 90% over the period and Trustee attendance at Board meetings was 88%.

The Board had one away-day in 2017 in November to understand media relations ahead of the relaunch as Parentkind in Quarter 1 2018. Trustees have also been encouraged to take up governance training and other development opportunities throughout the year as well as familiarity with the NCVO Charity Governance Code.

The Board has also developed its own set of guiding principles called "What are the Hallmarks of an effective Trustee" which covers attendance and involvement at meetings, knowledge of Parentkind and its work, behaviour as a Trustee to ensure that the Board can be as effective as possible. This is included in every board pack as an aide memoire and has also been included in the latest draft of the Trustee Manual that was updated and disseminated in November.

The Board has agreed to recruit two new trustees in 2018.

### **Risk management**

The major risks for Parentkind are reviewed and scrutinised by the Audit and Finance Committee (AFC) and the Board of Trustees. This year, the top risks have been:

- Loss of key staff
- Insufficient management control
- Organisational strategy
- Lack of diversification of income
- Major IT/data breach
- Non-compliance with relevant legislation and codes of practice.

Staff and trustees have worked closely together in 2017 to mitigate these risks especially in light of the diminished executive team. This included additional board meetings and working parties to help steer the rebrand and schools training programme.

During 2017 we undertook an analysis of our income diversification and growth potential. This led to a moderate, inflationary increase in our membership fees and set new projections for our commercial and training revenues. As a result of this review, we will be exploring the potential for grant and other external funding in 2018 with a view to exploiting viable opportunities over the strategy period.

We will be shortly undertaking a wholesale review of our risk register to consider the impact of the rebrand, reputational risk, the impact of GDPR and risks from competitors.

We recognise the importance of safeguarding in all aspects of our work. We provide our members with support, guidance and access to training to ensure they understand their obligations in relation to safeguarding children and vulnerable adults.

### **Plans for future development**

Our 2016-2018 strategy has been updated early in 2018 to cover our direction of travel until 2020 and beyond. The springboard for this new strategy will be our Parentkind rebrand in Quarter 1.

The decision to change our name and identity was considered carefully by Trustees and staff and felt necessary to:

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- Better reflect the range of services we now offer PTAs, Schools as well as parents, especially following the acquisition of the Parent Councils UK training business
- Better support our members (almost half of whom are not called 'PTA' preferring 'Friends' and other names instead) in their activities and ability to engage more members of the school community
- Signal that we are an inclusive organisation for all those who play a parenting role in a child's education; all kinds of mums and dads, grandparents and carers
- Achieve our ambition, reflect the changes in education and society, and better deliver our charity's objects.

The Trustees and staff have agreed the following mission and vision for Parentkind:

**Our Vision** is that the active participation of parents is considered an essential ingredient in the success of our children's education by society, schools and parents themselves.

**Our Mission:** Parentkind will tirelessly support and champion all the ways parents can participate in education and have their voices heard. We want to be a powerful force for good in education in the UK that strives to bring homes and schools together for the good of all children and society as a whole.

In delivering this new strategy we will strive to build upon the progress we have made over the last three years by:

- Engaging with individual parents
- Supporting our PTA members
- Helping schools be parent-friendly and creating a new network membership
- Working with partners
- Championing parents' role in education and school
- Striving for Excellence as an organisation.

Our overall ambition continues to be seeing more parents involved and engaged in their child's education, in more schools and in more ways and as an organisation. We will judge our success over the next two years on whether we have grown our impact, reach, profile and income. The Trustees agreed a break even budget for business as usual activities and an additional investment of £286,000 to fund development activities including:

- £32,000 for schools programme
- £54,000 on our corporate communications and launch as Parentkind – in particular in increasing our profile and relationship with individual parents and parent groups
- £50,000 to manage GDPR and improve and develop our systems and cyber-security
- £22,500 to develop a secondary school welcome pack pilot (to complement the primary school pack that we have produced over the last three years)
- Assessing the opportunities and developing our potential to take advantage of grant and other external funding over the strategy period.

We will also build on our schools training programme to offer, on a pilot basis, a schools network membership which will reinforce our credentials as the leading organisation championing the parent role in education and home to parent councils and parent groups in addition to our PTA membership.

### **Trustees' responsibilities in relation to the financial statements**

The Charity Trustees (who are also the directors of Parentkind for the purposes of company law) are responsible for preparing a Trustee's annual report and financial statements in accordance with applicable law and United Kingdom Account Standards (United Kingdom Generally Accepted Accounting Practice).

## Parentkind - Company Number 3680271

Company law requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of incoming resources and applications of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP (FRS102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and the Memorandum and Articles of Association. They are also responsible for safeguarding the assets of the Charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.


### Statement as to disclosure to our auditors

In accordance with section 418 Companies Act 2006, the trustees confirm that, in the case of each of the persons who are trustees at the time when this report is approved, so far as each trustee is aware:

- There is no relevant audit information of which the company's auditors are unaware, and
- He/she has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the board of Trustees.

  
Joe Saxton (Chair of the Board)

19/6/2018.  
DATE

## **Independent auditors' report to the members and trustees**

We have audited the financial statements of Parentkind (formerly Parent Teacher Associations UK) for the year ended 31 December 2017 which comprise the consolidated statement of financial activities, balance sheets, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

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

## **Parentkind - Company Number 3680271**

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

We have nothing to report in this regard.

### **Other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- the group or parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Report of the Trustees and the Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

Parentkind - Company Number 3680271

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



.....  
Liz Hazell (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 1 August 2018.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Parentkind - Company Number 3680271

**Consolidated Statement of Financial Activities for the year ended 31 December 2017**  
(Incorporating the Income and expenditure account)

	<b>Note</b>	<b>Total funds 2017 £</b>	<b>Total funds 2016 £</b>
<b>Income from:</b>			(note 19)
Charitable activities	2	1,284,461	1,146,531
Commercial activities	3	189,970	181,479
Investments		8,547	7,135
Donations		6,400	5,300
Grants		-	14,282
Other		-	3,136
<b>Total income</b>		<b>1,489,378</b>	<b>1,357,863</b>
<b>Expenditure on:</b>			
Charitable activities	4	(1,393,428)	(1,318,331)
Commercial activities	3	(157,929)	(151,217)
<b>Total expenditure</b>		<b>(1,551,357)</b>	<b>(1,469,548)</b>
<b>Net gains/(losses) on investments</b>	10	<b>10,568</b>	<b>8,349</b>
<b>Net expenditure for the year</b>		<b>(51,411)</b>	<b>(103,336)</b>
<b>Transfer between funds</b>	14	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(51,411)</b>	<b>(103,336)</b>
<b>Total funds brought forward 1 January</b>	14	<b>1,471,731</b>	<b>1,575,067</b>
<b>Total funds carried forward 31 December</b>	14	<b>1,420,320</b>	<b>1,471,731</b>

All activities for the years ended 31 December 2017 and 2016 relate to continuing operations.

There are no restricted funds for the year ended 31 December 2017.

Parentkind - Company Number 3680271

**Consolidated Balance Sheet as at 31 December 2017**  
**Company number 3680271**

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<b>Fixed assets</b>					
Tangible assets	8	405,655	413,511	405,655	413,511
Intangible assets	9	-	50,000	-	50,000
Investments	10	424,568	-	425,568	1,000
		<b>830,223</b>	<b>463,511</b>	<b>831,223</b>	<b>464,511</b>
<b>Current assets</b>					
Debtors	11	178,209	182,776	337,566	339,404
Cash at bank and in hand		286,871	285,067	112,212	135,717
Cash on deposit		380,415	733,315	380,415	733,315
		<b>845,495</b>	<b>1,201,158</b>	<b>830,193</b>	<b>1,208,436</b>
Creditors: amounts falling due within one year	12	(255,398)	(192,938)	(241,096)	(201,216)
<b>Net current assets</b>		<b>590,097</b>	<b>1,008,220</b>	<b>589,097</b>	<b>1,007,220</b>
<b>Total net assets</b>		<b>1,420,320</b>	<b>1,471,731</b>	<b>1,420,320</b>	<b>1,471,731</b>
<b>Funds of the Charity</b>					
Total funds (unrestricted)	14	<b>1,420,320</b>	<b>1,471,731</b>	<b>1,420,320</b>	<b>1,471,731</b>

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

As permitted by S408 Companies Act 2006, the charitable company has not presented its own profit and loss account and related notes. The charitable company's net movement in funds for the year was £51,411 (2016: £103,336).

The financial statements on pages 21 to 33 were approved and authorised for issue by the Board of Trustees on 19 June 2018 and signed on its behalf by:



**Joe Saxton**  
**Chair of the Board**



**Gary Sims**  
**Chair – Audit and Finance Committee**

**Consolidated Cash Flow Statement for the year ended 31 December 2017**

	<b>Note</b>	<b>Group 2017 £</b>	<b>Group 2016 £</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>17</b>	<b>58,319</b>	<b>(108,083)</b>
<b>Cash flows from investing activities:</b>			
Dividends from investments and interest		8,547	7,135
Purchase of tangible fixed assets		(3,962)	(7,660)
Purchase of intangible fixed assets		-	(50,000)
Purchase of investments		(414,000)	-
Proceeds from the sale of investments		-	884,204
<b>Net cash (used)/provided by investing activities</b>		<b>(409,415)</b>	<b>833,679</b>
<b>Change in cash and cash equivalents during year</b>		<b>(351,096)</b>	<b>725,596</b>
<b>Cash and cash equivalents at start of year</b>		<b>1,018,382</b>	<b>292,786</b>
<b>Cash and cash equivalents at end of year</b>		<b>667,286</b>	<b>1,018,382</b>

**Notes to the Financial Statements for year ended 31 December 2017**

**1 Accounting policies**

**Basis of preparation and assessment of going concern**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed asset investments. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Trustees confirm that the Charity is a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

**Group financial statements**

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, NCPTA Enterprises Limited (NEL), on a line-by-line basis. The Trustees consider that control exists due to the subsidiary being wholly owned, and there are no restrictions on the ability of the subsidiary to transfer funds or cash to the Charity. A separate Statement of Financial Activities, Income and expenditure account and cash flow statement for the Charity itself are not presented because the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**Incoming resources**

Membership income (net of discounts) is taken to the Statement of Financial Activities over the period of the subscription, taking into account the type of membership involved. Discounts are offered to member associations for payment of subscription fees by Direct Debit.

All grants received are credited to the Statement of Financial Activities upon receipt and where there is entitlement. Any gifts in kind received by the Charity during a financial period are recognised as income with a corresponding equivalent amount of expenditure. These are recognised at market value. All other incoming resources are accounted for when there is entitlement, receipt is probable and the amount can be reliably measured.

**Resources expended**

All expenditure is accounted for on an accruals basis.

Charitable activities includes expenditure on providing and developing member services, research into member opinions, engagement with key audiences, and promotion of Parentkind.

Governance costs include those incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Expenditure not directly attributable to charitable activities, including staff costs, governance costs and support costs, are allocated to each activity on the basis of estimated time spent on the activities as follows:

Membership services	81.0%
PR, policy and research	19.0%

**Notes to the Financial Statements for year ended 31 December 2017 (continued)**

**Investments**

Investment funds surplus to operational requirements are invested in deposits in the name of Parentkind to optimise income or in investments selected by a professional investment manager as approved by the Board. Investments are stated at market value at the balance sheet date. The Consolidated Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**Tangible fixed assets**

Expenditure on the acquisition of individual fixed assets that are either trackable (for example via serial numbers) or that cost more than £1,000 are capitalised at cost. Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets excluding freehold land over their expected useful lives. It is calculated at the following rates:

Freehold property (buildings only)	2% on net book value
Office equipment	33% on cost
Furniture, fixtures and fittings	20% on cost

**Intangible fixed assets**

Intangible fixed assets are non-financial fixed assets that do not have physical substance but are identifiable and are controlled by the Charity through custody or legal rights. The amortisation period is usually two years with an annual review for impairment.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any purpose of the Charity. Designated funds are unrestricted funds which have been set aside at the discretion of the Trustees for a specific, but not legally binding, purpose. Restricted funds are amounts which are specified by the donor to be used solely for particular projects undertaken by the Charity.

**Pension costs**

Employees of the Charity are entitled to join a defined contribution 'money purchase' pension scheme once they have completed three months of service. The Charity contribution is restricted to the contributions disclosed in note 7. The costs of the defined contribution scheme are allocated to staff costs and represent the contributions payable by the Charity during the year. The Charity has no liability beyond making its contributions and paying across deductions for the employee's contribution.

**Irrecoverable VAT**

The Charity is partially exempt. Irrecoverable VAT is allocated to the appropriate cost categories.

**Financial instruments**

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Critical estimates and judgements**

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are

**Notes to the Financial Statements for year ended 31 December 2017 (continued)**

based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

As described in note 9, during the year ended 31 December 2016 the charity engaged a surveyor to review the property value split between land and buildings. This new information resulted in a change of accounting estimate as the land value is now estimated at 33%, rather than 50%, of the total property value. Building depreciation is therefore being charged on a higher proportion in current and future periods.

**2 Charitable activities**

Membership subscriptions received are derived from the Charity's principal activity wholly undertaken in the UK. Direct Debit discounts were taken up by many members and are included in the discounts allowed.

	2017	2016
	£	£
Members' subscriptions	1,306,094	1,201,961
Discounts allowed	(56,125)	(55,430)
Parent Councils UK training	34,492	-
Total charitable activities	1,284,461	1,146,531

**3 Incoming resources from activities for generating funds**

The wholly owned trading subsidiary NEL, company number 3884281, is incorporated in the United Kingdom and pays all of its profits to the Charity by Gift Aid. NEL operates all commercial trading activities on behalf of the Charity. The Charity owns the entire share capital of 1,000 ordinary shares of £1 each. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2017	2016
	£	£
Commercial trading activities	189,970	181,479
Donations	1,400	1,300
Cost of sales and administration costs	(157,929)	(151,217)
Net profit	33,441	31,562
Payment made via Gift Aid to the Charity	(33,441)	(31,562)
Retained in subsidiary	-	-
Current assets	247,392	222,910
Current liabilities	(246,392)	(221,910)
Total net assets	1,000	1,000
Aggregate share capital and reserves	1,000	1,000

Notes to the Financial Statements for year ended 31 December 2017 (continued)

4a)	Analysis of charitable activities	Staff costs	Other direct costs	Governance & support costs (see note 4b)	Total 2017	Total 2016
		£	£	£	£	£
	Membership services	427,740	261,982	285,254	974,976	989,782
	PR, policy & research	283,688	61,561	73,203	418,452	328,549
	<b>Total resources expended</b>	<b>711,428</b>	<b>323,543</b>	<b>358,457</b>	<b>1,393,428</b>	<b>1,318,331</b>

4b)	Analysis of governance and support costs	General support	Governance function	Total 2017	Total 2016
		£	£	£	£
	Legal & professional fees	91,355	28,065	119,420	110,981
	Meeting costs – venue hire, travel and catering	22,255	7,232	29,487	28,936
	Staff training	11,652	3,787	15,439	8,096
	Premises costs	34,260	11,134	45,394	64,957
	IT and communications	51,310	16,675	67,985	97,054
	General office	16,251	5,281	21,532	18,859
	Audit fees	-	9,200	9,200	9,200
	Amortisation	25,000	-	25,000	-
	Impairment	25,000	-	25,000	-
	<b>Total governance and support costs</b>	<b>277,083</b>	<b>81,374</b>	<b>358,457</b>	<b>338,083</b>

5 Total expenditure

Included in total expenditure is the following:

	2017	2016
	£	£
Audit of accounts	10,400	9,200
Depreciation	11,818	21,927
Operating lease rentals	1,689	1,068

6 Taxation

The company is a registered charity and as such is not liable to corporation tax on its income derived wholly from charitable activities.

**Notes to the Financial Statements for year ended 31 December 2017 (continued)**

**7 Employees**

The monthly average number of employees for the year was 27 (2016: 25) whose total remuneration was:

	2017 £	2016 £
Salaries and wages	686,676	699,034
Social security costs	65,269	57,119
Pension costs	55,557	47,470
	<b>807,502</b>	<b>803,623</b>

1 employee received emoluments which fell within the band £60,000 - £70,000 (2016: 1).

The key management personnel of both the Charity and the group comprise the Trustees and the Executive Team. At the beginning of 2017, we had three members of the Executive Team - the Chief Executive, the Business and Operations Director and the Policy and Communications Director. Due to unforeseen circumstances with staffing, including two unfilled positions in the executive team, this has led to an underspend in employee benefits. The total employee benefits of the key management personnel, including employer's national insurance contributions and pension contributions, were £162,381 (2016: £196,333).

The Charity operates a defined contribution pension scheme in respect of employees. The scheme and its assets are held by independent managers. The number of employees to whom benefits were accruing under a money purchase pension scheme was 27 (2016: 24).

**8 Tangible fixed assets (Group and Charity)**

	Freehold property £	Furniture, equipment, fixtures & fittings £	Total £
<b>Cost</b>			
At 1 January 2017	456,559	34,355	490,914
Additions	-	3,962	3,962
At 31 December 2017	<b>456,559</b>	<b>38,317</b>	<b>494,876</b>
<b>Depreciation</b>			
At 1 January 2017	55,678	21,725	77,403
Charge for year	4,974	6,844	11,818
At 31 December 2017	<b>60,652</b>	<b>28,569</b>	<b>89,221</b>
<b>Net book value</b>			
31 December 2017	<b>395,907</b>	<b>9,748</b>	<b>405,655</b>
31 December 2016	<b>400,881</b>	<b>12,630</b>	<b>413,511</b>

All assets are used in the administration of the Charity. During the year ended 31 December 2016 a review of the split of cost between land and buildings of the freehold property was undertaken, which resulted in a reallocation of cost and an increased depreciation charge for the period. Freehold land is now held at a value of £152,186 and is not depreciated.

Notes to the Financial Statements for year ended 31 December 2017 (continued)

9 Intangible fixed assets (Group and Charity)

	Goodwill	Total
Cost	£	£
At 1 January and 31 December 2017	50,000	50,000
Amortisation		
At 1 January 2017	-	-
Charge for year	(25,000)	(25,000)
Impairment	(25,000)	(25,000)
At 31 December 2017	(50,000)	(50,000)
Net book value		
31 December 2017	-	-
31 December 2016	50,000	50,000

Goodwill relates to the purchase of business assets from Alternatives In Education Limited, trading as 'Parent Councils UK', on December 20<sup>th</sup> 2016. The executive team made the decision during the year to impair the remaining goodwill balance in its entirety given the change in focus of the Schools Programme for the following year.

10 Fixed asset investments

Market value	Group and Charity Listed Investments	Charity Subsidiary company	Charity total
	£	£	£
At 1 January 2017	-	1,000	1,000
Additions	414,000	-	414,000
Gain/(loss) on Investments	10,568	-	10,568
31 December 2017	424,568	1,000	425,568
Historic cost			
31 December 2017	414,000	1,000	415,000
31 December 2016	-	1,000	1,000

In May 2017 the Charity invested £414,000 into the Alpha Charity Authorised Investment funds for Endowments Long Term Reserve managed by Sarasln & Partners LLP. The investment is revalued at each balance sheet.

The Charity owns 100% of the issued share capital of NEL and the balance of reserves at 31 December 2017 was £1,000. The Charity is also the sole member of National Confederation of Parent Teacher Associations (NCPTA), a company limited by guarantee. This company has no share capital and the liability of Parentkind is limited to the sum of £1. During this accounting period NCPTA remained dormant.

Notes to the Financial Statements for year ended 31 December 2017 (continued)

11 Debtors

Amounts falling due within one year	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	25,444	37,119	6,396	-
Balances due from subsidiary	-	-	156,529	179,864
Amount due from subsidiary under Gift Aid	-	-	33,441	31,562
Value added tax receivable	1,575	-	10,253	-
Prepayments and accrued income	151,190	145,657	130,947	127,978
	<b>178,209</b>	<b>182,776</b>	<b>337,566</b>	<b>339,404</b>

12 Creditors

Amounts falling due within one year	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	53,556	19,741	53,556	19,741
Membership subscriptions paid in advance	147,621	134,500	147,621	134,500
Accruals and deferred income	33,978	23,798	19,676	13,313
Other taxation and social security	20,243	14,899	20,243	33,662
	<b>255,398</b>	<b>192,938</b>	<b>241,096</b>	<b>201,216</b>

13 Membership subscriptions paid in advance

	2017 £	2016 £
Balance at 1 January	134,500	129,384
Amount released to income earned from charitable activities	(134,500)	(129,384)
Amount deferred in year	147,621	134,500
Balance at 31 December	<b>147,621</b>	<b>134,500</b>

14 Analysis of charitable funds

a) Analysis of group net assets between funds

	Total and unrestricted funds 2017 £	Total and unrestricted funds 2016 £
Investments	424,568	-
Tangible fixed assets	405,655	413,511
Intangible fixed assets	-	50,000
Cash	667,286	1,018,382
Other net current assets/(liabilities)	(77,189)	(10,162)
At 31 December	<b>1,420,320</b>	<b>1,471,731</b>

**Notes to the Financial Statements for year ended 31 December 2017 (continued)**
**b) Analysis of movements in funds**

	<b>Total and unrestricted funds 2017 £</b>	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>
At 1 January	1,471,731	1,585,546	(10,479)	1,575,067
Net movement in funds	(51,411)	(113,815)	10,479	(103,336)
At 31 December	<b>1,420,320</b>	<b>1,471,731</b>	<b>-</b>	<b>1,471,731</b>

The unrestricted funds relate to free reserves subject to designated funds, available to spend on any purpose of the Charity.

**c) Analysis of unrestricted funds**

	<b>General fund £</b>	<b>Capital expenditure fund £</b>	<b>Development fund £</b>	<b>Total £</b>
At 1 January 2016	1,180,241	-	-	1,180,241
Allocation of designated funds	(283,000)	33,000	250,000	-
Net movement in funds	(63,815)	-	(50,000)	(113,815)
Disposals	405,305	-	-	405,305
At 31 December 2016	<b>1,238,731</b>	<b>33,000</b>	<b>200,000</b>	<b>1,471,731</b>
At 1 January 2017	1,238,731	33,000	200,000	1,471,731
Net movement in funds	(23,785)	-	(27,626)	(51,411)
At 31 December 2017	<b>1,214,946</b>	<b>33,000</b>	<b>172,374</b>	<b>1,420,320</b>

During the year ended 31 December 2016 the Trustees allocated £283,000 from the general fund to two designated funds. The Capital Expenditure fund is to support the future replacement of our IT infrastructure and other assets held by the Charity. The Development fund is designated to support research and develop opportunities to extend our reach in encouraging parental participation in schools. Please refer to the Trustees' Report for further information.

**15 Transactions with Trustees and connected persons**

The Trustees do not receive any remuneration. Seven of the eight Trustees received in total £4,187 (2016: 13 Trustees received £6,376) as reimbursement for out of pocket expenses (travel and subsistence) while carrying out the Charity's business.

Included in both Income and expenditure is £5,000 (2016: £4,000) relating to survey services gifted to the Charity by nfpSynergy, a research consultancy specialising in the not-for-profit sector, of which Joe Saxton is also a Director. These services would otherwise have been performed by Parentkind staff.

There are no other related party transactions.

**Notes to the Financial Statements for year ended 31 December 2017 (continued)**

**16 Commitments**

At 31 December 2017 the Charity had the following commitments payable relating to office equipment held under non-cancellable leases:

	2017	2016
	£	£
Non-charitable operating leases which fall due as follows:		
within one year	1,292	1,060
two to five years	1,101	633

**17 Reconciliation of net outgoing resources to net cash flow from operating activities**

	2017	2016
	£	£
Net outgoing resources for the year	(51,411)	(103,336)
Depreciation	11,818	21,927
Gains on investments	(10,568)	(8,349)
Amortisation and impairment of intangible fixed assets	50,000	-
Dividends from investments	(8,547)	(7,135)
(Increase)/decrease in debtors	4,567	13,303
Increase/(decrease) in creditors	62,460	(24,493)
Net cash provided by/(used in) operating activities	58,319	(108,083)

**18 Limited by Guarantee**

The Trustees are members of the Charity. Every member promises, if the Charity is dissolved while they remain a member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while the contributor was a member. The total of such guarantees at 31 December 2017 was £8 (2016: £8).

Notes to the Financial Statements for year ended 31 December 2017 (continued)

**19 Consolidated Statement of Financial Activities for the year ended 31 December 2016**  
(Incorporating the income and expenditure account)

	Unrestricted funds £	Restricted funds £	Total funds 2016 £
<b>Income from:</b>			
Charitable activities	1,146,531	-	1,146,531
Commercial trading activities	181,479	-	181,479
Investments	7,135	-	7,135
Donations	5,300	-	5,300
Grants	-	14,282	14,282
Other	3,136	-	3,136
<b>Total income</b>	<b>1,343,581</b>	<b>14,282</b>	<b>1,357,863</b>
<b>Expenditure on:</b>			
Charitable activities	(1,299,232)	(19,099)	(1,318,331)
Commercial trading activities	(151,217)	-	(151,217)
<b>Total expenditure</b>	<b>(1,450,449)</b>	<b>(19,099)</b>	<b>(1,469,548)</b>
<b>Net gains/(losses) on investments</b>	<b>8,349</b>	<b>-</b>	<b>8,349</b>
<b>Net expenditure for the year</b>	<b>(98,519)</b>	<b>(4,817)</b>	<b>(103,336)</b>
<b>Transfer between funds</b>	<b>(15,296)</b>	<b>15,296</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(113,815)</b>	<b>10,479</b>	<b>(103,336)</b>
<b>Total funds brought forward 1 January</b>	<b>1,585,546</b>	<b>(10,479)</b>	<b>1,575,067</b>
<b>Total funds carried forward 31 December</b>	<b>1,471,731</b>	<b>-</b>	<b>1,471,731</b>

**20 Financial instruments**

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<b>Financial assets measured at amortised cost</b>				
Trade debtors	25,444	37,119	6,396	-
Total due from subsidiary	-	-	189,970	211,426
Cash and cash equivalents	667,286	1,018,382	492,626	869,032
<b>Financial assets measured at fair value</b>				
Investments	424,568	-	425,568	1,000
<b>Financial liabilities measured at amortised cost</b>				
Trade creditors	53,556	19,741	53,556	19,741
Accruals excluding deferred income	15,980	13,313	15,980	13,313

