

# Parentkind

Parentkind

Report and Accounts  
for the year ended 31 December 2019

Company number 3680271

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**Company Information as at 31 December 2019**

Incorporated England 2<sup>nd</sup> December 1998

Company Number 3680271

Charity Number 1072833

Trustees	Joe Saxton, Chair of the Board Joni Alexander * Steve Bannister Jennifer Dyer Rob Hayter * Doris Neville-Davies Charlie Samuda *	Amanda Shepard Gary Sims (resigned 9 <sup>th</sup> Oct 2019) Mos Somji * Pat Sowa * Karen Wespieser * Yvonne Wood
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*(Those marked with \* were co-opted between Sept 18 and Jan 19 and appointed at the AGM on 4<sup>th</sup> June 2019)*

Chief Executive John Jolly (from 24<sup>th</sup> June 2019)

Acting Chief Executive Michelle Doyle Wildman (to 10<sup>th</sup> June 2019)

Company Secretary Graham Stone

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
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Investment Managers	Sarasin and Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU	Solicitors	Cripps LLP 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS
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Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	Insurer	Zurich Insurance plc The Zurich Centre 3000 Parkway Whiteley Fareham Hampshire PO15 7JZ
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## Report of the Trustees for the year ended 31 December 2019

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 2019, 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).

### Overview

#### **Objectives for the public benefit**

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 have considered the Charity Commission guidance on public benefit while developing plans for activities during the year.

#### **What does Parentkind do?**

- We are a charity that champions parents so that they can participate in their child's education and school life to the full
- We are the largest membership body for Parent Teacher Associations (PTAs) and other parent groups in England, Wales and Northern Ireland
- We provide parental participation training across the UK
- We provide parents with information and resources on how they can get involved in school life and support their child's learning.

#### **Our vision**

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.

#### **Our ambition**

We want more parents to be involved and engaged in their child's education, and in more ways – both at home and at school.

In 2018 the Trustees agreed a two year strategy to achieve our objects (covering activities up until the end of 2020) and to realise our vision, mission and ambition.

**Parentkind's five strategic goals guiding our work in 2018-20 are:**

- 1) Supporting and engaging parents to help them maximise their contribution to their child's education
- 2) Supporting and engaging PTAs, Parent Councils and other parent groups to be as effective as possible
- 3) Helping schools to become more parent-friendly
- 4) Developing new partnerships to reach more parents and schools
- 5) Championing the role of parents in education and their importance in education policy.

**Achieving Our Strategic Goals**

We will now take each of our five strategic goals in turn and report on our activities and achievements against each goal so far:

**(1) Supporting and engaging parents to help them maximise their contribution to their child's education**

**Be School Ready campaign**

Our flagship activity to enable more parents to participate more at home and school was our *Be School Ready* campaign. A core part of the campaign was the Parentkind Welcome Pack initiative, now in its fifth year. A total of **150,000 packs** were issued and distributed through our PTA membership to parents with children starting primary and secondary school.

**Website resources**

We increased use of our website, social media and mailing lists.

Communication channel	At 31 December 2019	At 31 December 2018	% change
Website session visits	455,611	375,491	+21%
Website unique users	252,681	205,268	+23%
Page Views	3,344,817	1,957,611	+71%
Average length of web session (minutes)	3:15	3:24	-4.4%
PTA Facebook page 'likes'	40,335	37,831	+6.6%
Parent Facebook page 'likes'	4,898	3,296	+49%
Twitter followers	7,697	6,629	+16%
Parent eBulletin mailing list	18,565	12,978	+43%

**(2) Supporting and engaging PTAs, Parent Councils and other parent groups to be as effective as possible**

**PTA Membership**

As of December 2019, we had **13,633 PTA members** (49% of all schools in England, Wales and Northern Ireland).

	Year to 31 December 2019	Year to 31 December 2018
PTA members at year start	13,633	13,725
Lapsed PTA members	(517)	(357)
New PTA members	308	371
Total PTA members at year end	13,548	13,633
PTA member retention rate	94.5%	97.2%

Our presence in the three nations is as follows:

Nation	Parentkind PTA Members	All Schools	% School Market Penetration
England	12,483	24,566	51%
Wales	725	1,603	45%
Northern Ireland	414	1,569	26%
Other	11	N/A	N/A
Total	13,633	27,738	49%

We continued to support our PTA members with **16,693** enquiries from PTA members during 2019 via telephone, email and through our website. We developed the resources on our website to enable members to access a wider range of information without needing to contact our membership support team. We also developed the ability of members to self-serve through our website to complete a range of functions including contact detail changes and renewals.

Types of contact with members	At 31 December 2019	At 31 December 2018	% change
Total enquiries from PTA members	16,693	17,375	-4%
PTA membership support via telephone	6,831	9,537	-28%
PTA membership newsletter mailing list numbers	29,733	29,808	-0.2%

### PTA membership benefits

We continued to successfully work with a number of long-term and new partners to offer a wider range of exclusive benefits to help our PTA members be as effective as possible as well as raise more money, including:

- We continued to provide our members with insurance in partnership with Zurich Insurance plc. During 2019, we enhanced the insurance cover provided to members to include Cyber insurance.
- During 2019, we introduced a satisfaction survey to monitor the service that Zurich are offering to our members. We were pleased to receive comments from members that their enquiries were answered quickly and the support was easy to understand.
- We agreed an exclusive partnership with PTA Events Limited to make their platform the go to service for PTAs to manage events, volunteering and communications. We will support the growth and innovation of the product, making sure it continues to be a market leading service.
- As part of the agreement with PTA Events, Parentkind Membership Services Team is providing support and assistance helping members make the most of the service.
- Our ongoing partnership with easyfundraising meant that in 2019 over 400 PTAs registered to use the service with nearly 6,000 members now registered. We launched a ground breaking donation and fundraising package alongside the shopping service offering some of the cheapest processing fees on the market.
- We continue to offer duty of care and safeguarding training via Educare with an exclusive discounted online training for our PTA members

- We continued to partner with Booker/Makro to offer easy sign up and access to the wholesaler. Over 700 members have registered and are taking advantage of wholesale prices, free delivery and sale or return on non-perishable items.
- Motion Picture Licensing Company (MPLC) continue to provide our PTA members with an exclusive discount on their film licences
- We continue to team up with Raffle Tickets 4U to offer an exclusive discount, that enables our PTA members to design and theme their own raffle tickets
- Our partnerships with Grants 4 Schools (50% discount) and Funds Online (free access for two months) continued to give our PTA members up to the minute information about funding opportunities in the education sector.

#### **Annual PTA membership survey**

Our 2019 annual PTA membership survey was completed online by almost 1,000 PTA members and highlights the important role that they play in contributing to improving children's education and to society as a whole. The key results of the survey are summarised below:

- Our PTA members raised an average of £9,006 compared to £8,030 in 2018
- The total amount raised by our PTA members that goes directly into schools is more than £121 million a growth of 12% since 2018
- Committee members in our PTA members collectively volunteered 3.38 million hours, worth at least £27.7 million (based on the national living wage).

#### **PTA Expert Magazine**

Every PTA member was sent a PTA *Expert* magazine, packed with ideas and inspiration from fellow PTAs.

### **(3) Helping schools to become more parent-friendly**

#### **Blueprint for Parent Friendly Schools**

During 2019, we consulted on our framework outlining key principles for how schools can work to actively engage parents in children's education. This framework forms the foundation of a wide range of our beliefs around Parental Engagement.

#### **Training**

We worked with a group of 12 associate trainers to deliver 27 workshops to 112 schools leaders, governors and staff on how to engage and involve parents better. The training is built upon the foundation of our Blueprint for Parent Friendly Schools.

### **(4) Developing new partnerships to reach more parents and schools**

We secured our first government contract with the Doncaster Opportunity Area to work with a number of schools, to take part in an innovative project to help schools improve their parental engagement. We are working with 14 primary and 7 secondary schools with the aim of helping them to create parental engagement strategies that can be seamlessly embedded within the teaching and non-teaching staff school day, to improve attendance and reduce exclusions. The project will run for 14 months until August 2020.

## **(5) Championing the role of parents in education and their importance in education policy**

Our 5th Annual Parent Survey (APS) highlights the views of parents across a range of different topics relating to their child's education, building up a long term tracker of parents' views in education, as well as current insights to aid policy response and programme development. Our annual parent survey, with insight from 1,500 parents, includes 18 index statements which provide an overview of parents' attitudes to education. We have up to 4 years of longitudinal data to measure trends.

### **England highlights:**

We are increasingly seen as the go to organisation for parental participation by a range of key stakeholders. For example we:

- Worked closely with the Deputy Director for Schools at the Department for Education and provided feedback on how parent friendly their new reports are, which are due to be published from September onwards.
- Teamed up with UK Mediation to produce joint guidance that was launched at the Festival of Education titled 'Parents and Teachers: Turning Conflict to Partnership'.
- Combined our expertise with the National Governors' Association (NGA) to set out the importance of parental engagement to governing boards. This guidance provides support in engaging with parents.

We took part in key consultations throughout 2019 including:

- Westminster government (DfE): Character and Resilience: A call for evidence.
- Westminster government (DfE): Education inspection framework 2019 (Ofsted): inspecting the substance of education.

### **Wales highlights:**

During the year we continued to build a good working relationship with the National Assembly for Wales and the Minister of Education Kirsty Williams. When the Minister was asked in the Senedd about Parental Engagement, Parentkind were referred to and it was shared that the Department for Education and Skills is working with us. We have also developed good links with Estyn, unions and the Education Workforce Council and are starting to build links with the Department of Education and Skills staff and wider stakeholders.

Key consultations that we have taken part in throughout 2019, are:

- Welsh government. Respecting others (anti-bullying guidance).
- Welsh government. Our National Mission: A Transformational Curriculum. Proposals for a new legislative framework.
- Welsh government. Consultation on draft Guidance for governing bodies on school uniform and appearance policies.
- Welsh government. Draft Curriculum for Wales 2022 guidance.

### **Northern Ireland (NI) highlights:**

Despite the challenges within the Northern Ireland political system we have developed very strong links across all political parties and are seen as an organisation that serves all communities equally. The collaboration with Department for Education, CCEA and Queens University on the Northern Ireland Parents Parliament has not only provided a great opportunity to engage with key stakeholders, including politicians whilst there has been no assembly, but also allowed us to cement our position as the voice of parents, and not just to education stakeholders but to parents themselves as well. The impact and feedback to date has been astounding in its positivity all round from within NI and outside. The final parent parliament takes place in September in Belfast, which will be followed by a report of findings to be discussed at a parent parliament in Stormont in 2020.



## **Financial Review**

### **Income**

Total incoming resources for the year amounted to £1,519,170 compared with £1,556,924 for 2018 (a decrease of £37,754: 2.4%).

Funding was primarily from PTA membership, which provided £1,299,220 compared with £1,314,716 for 2018 (a decrease of £15,496: 1.2%).

The Charity's wholly owned trading subsidiary changed its name during the year to Parentkind Enterprises Limited ('PEL'), continued to trade well and income from commercial was £141,461 (£181,368 in 2018). Our advertising income fell as a result of disappointing sales for our Be School Ready Magazine.

In this period, PEL made a payment of £17,565 (2018: £20,028) under Gift Aid to the Charity, representing a decrease of £2,463 on the prior year. This decrease was as a direct result of the decreased income from producing the Be School Ready Magazine.

The Charity received income of £19,106 related to training workshops provided to enhance parental reach into schools as part of our wider schools programme. This represents a decrease on the prior year of 51% (2018: £39,045). We hope to build on this income stream going forward.

Investment income for the period was £17,250 (2018: 16,795) as the Trustees decided to reinvest all revenue from our Sarasin & Partners LLP investment back into the investment. At 31 December 2019, the investment was valued at £469,405 (2018: £393,352)

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

### **Expenditure**

Total expenditure for the year amounted to £1,579,654 compared with £1,828,584 in 2018 (a decrease of £248,930: 13.6%).

The net result of the Charity for the year ended 31 December 2019 was a small surplus of £1,257. This is within the budget for the year and in line with activities required to deliver the 2018-20 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.

Free 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, 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 free 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 free reserves as at 31 December 2019 is £450,000 of which at least 20% should be held as cash. At 31 December 2019, the charity held cash of £364,455.

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 2019 was £720,533. During the year, the Trustees decided to remove the designation of £133,822 as a development fund and release these funds back to the general fund. The Trustees also decided to create a new designated fund, equal to the value of tangible and intangible fixed assets, in order to better track the current level of free reserves.

The Charity has reported a small surplus this year and a deficit in the prior year. This has been in line with our long term strategy and represents an intentional investment in our business. This represents a time of consolidation following a sustained period of investment in the organisation. 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 planned deficits in previous years.

Consideration has been given to the impact of the Coronavirus pandemic upon our ongoing operations and a basis of going concern. Given limited exposure to reductions in income, as previously described, the cost cutting measures enacted during the year and current level of reserves the Trustees are satisfied that the pandemic does not affect the ability of the Charity to operate on a going concern basis. The Trustees are aware of the potential impact upon investments should the Pandemic lead to a global recession and reduction in the value of the investment with Sarasin and take professional advice from Sarasin in regard to how funds are invested to mitigate this risk.

The Trustees consider ways by which the free reserves above the assessed reserves level could be invested or used for the long term benefit of the charity. During 2020, a new strategy will be developed for 2021 onwards, as part of this development

### **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 and lack of diversity
  - Cash flow difficulties arising from lack of liquidity.

At 31 December 2019, in addition to the funds invested with Sarasin & Partners LLP, the Charity held cash deposits spread between two UK banks.

## **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.

Parentkind wholly owns a trading subsidiary, Parentkind Enterprises Limited (PEL) (company number 3884281) whose Directors are selected by the Trustees from among their number and the staff team. During the year, the board considered the governance arrangements of PEL, including reviewing Charity Commission guidance for charities with a connection to a non-charity.

During 2018 and 2019, we recruited some new Trustees. All new Trustee positions are advertised publicly to ensure a diverse board with the right mix of skills is appointed. One Trustee was co-opted in September 2018 and the remaining five Trustees were co-opted in January 2019. All co-opted Trustees were formally appointed at the AGM in June 2019.

New Trustees receive a comprehensive induction when they join, including an overview of their responsibilities and duties as Company Directors and Trustees. This induction is undertaken by the Chair of the Nominations, Governance and Employment Committee and the Company Secretary.

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 14 to the accounts.

Day to day management of the Charity is delegated to the Chief Executive, who manages a team of 27 staff (25.4 full time equivalent), of whom 25 are based in the office and three work remotely.

### **Board Structure 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
  - Pat Sowa (from 5<sup>th</sup> Feb 2019)
  - Rob Hayter (from 5<sup>th</sup> Feb 2019)
  - Two members of the Executive Team.
- Audit and Finance Committee
  - Gary Sims (Chair to 9<sup>th</sup> Oct 2019)
  - Jennifer Dyer
  - Amanda Shepard
  - Mos Somji (from 24<sup>th</sup> Apr 2019)
  - Two members of the Executive Team.

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 83% over the period and Trustee attendance at Board meetings was also 83%.

We appointed an external consultant to conduct a governance and development review in late 2018, to help ensure that the Board was working to full effect. The findings and recommendations were reported to the Board in early 2019, with implementation throughout the year.

The Board held an away day early in 2019, to consider the outcome of the Board Governance and Development Review and to consider priorities for 2019. Trustees have also been encouraged to take up governance training and other development opportunities throughout the year as well as developing 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, and 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 is currently being updated following the Board Governance and Development Review.

### **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:

- Lack of diversity in income
- Loss of share in relation to PTA membership market
- Digital systems not adequate to support effective operational delivery
- Failure to deliver upon strategy & realise the potential of Parentkind
- Organisational Strategy and priority/ambition is not clear

Staff and trustees have worked closely together in 2019 to mitigate these risks, especially in light of the changes within the executive leadership team.

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.

We recognise the emergence of the Coronavirus pandemic early in 2019 and consider the risk that this presents to Parentkind, particularly to our main streams of income. We had already achieved 75% of our annual budgeted membership income by the end of February 2020, before the effects of the pandemic were truly felt in the UK. As such we are forecasting that, provided disruption to PTA activities does not continue past September 2020, we will see limited impact on our income moving forward. A number of cost saving measures were put in place as a result of the pandemic. We are also enacting contingency and disaster recovery plans to protect our staff team, their families and continuing our normal activities as much as possible.

### **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).

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)

9<sup>th</sup> June 2020

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

We have audited the financial statements of Parentkind for the year ended 31 December 2019 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 2019 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.

### **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.

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 13, 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.

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.

#### Use of our report

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.



.....  
Liz Hazell (Senior Statutory Auditor)  
For and on behalf of Saffery Champness LLP

Saffery Champness LLP	71 Queen Victoria Street
Chartered Accountants	London
Statutory Auditors	EC4V 4BE

Date: 9 June 2020

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



**Consolidated Statement of Financial Activities for the year ended 31 December 2019**  
(Incorporating the income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>					
Charitable activities	2	1,353,576	10,000	1,363,576	1,353,761
Commercial activities	3	130,844	-	130,844	181,368
Investments		17,250	-	17,250	16,795
Donations		7,500	-	7,500	5,000
<b>Total income</b>		<b>1,509,170</b>	<b>10,000</b>	<b>1,519,170</b>	<b>1,556,924</b>
<b>Expenditure on:</b>					
Charitable activities	4	(1,445,758)	(10,000)	(1,455,758)	(1,667,244)
Commercial activities	3	(123,896)	-	(123,896)	(161,340)
<b>Total expenditure</b>		<b>(1,569,654)</b>	<b>(10,000)</b>	<b>(1,579,654)</b>	<b>(1,828,584)</b>
Net gains/(losses) on investments	9	61,741	-	61,741	(31,216)
<b>Net income/(expenditure) for the year</b>		<b>1,257</b>	<b>-</b>	<b>1,257</b>	<b>(302,876)</b>
Transfer between funds	13	-	-	-	-
<b>Net movement in funds</b>		<b>1,257</b>	<b>-</b>	<b>1,257</b>	<b>(302,876)</b>
<b>Total funds brought forward 1 January</b>	13	<b>1,117,444</b>	<b>-</b>	<b>1,117,444</b>	<b>1,420,320</b>
<b>Total funds carried forward 31 December</b>	13	<b>1,118,701</b>	<b>-</b>	<b>1,118,701</b>	<b>1,117,444</b>

All activities for the years ended 31 December 2019 and 2018 relate to continuing operations.

There were no restricted funds for the year ended 31 December 2018 therefore a comparative Statement of Financial Activities is not required.

**Consolidated and Charity Balance Sheets as at 31 December 2019**  
**Company number 3680271**

	<b>Note</b>	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Charity 2019 £</b>	<b>Charity 2018 £</b>
<b>Fixed assets</b>					
Tangible assets	8	398,168	401,038	398,168	401,038
Investments	9	469,405	393,352	470,405	394,352
		<b>867,573</b>	<b>794,390</b>	<b>868,573</b>	<b>795,390</b>
<b>Current assets</b>					
Debtors	10	145,372	206,016	260,865	385,289
Cash at bank and in hand		178,904	253,770	56,256	54,852
Cash on deposit		185,229	237,206	185,229	237,206
		<b>509,505</b>	<b>696,992</b>	<b>502,350</b>	<b>677,347</b>
Creditors: amounts falling due within one year	11	(258,377)	(373,938)	(252,220)	(355,293)
<b>Net current assets</b>		<b>251,128</b>	<b>323,054</b>	<b>250,130</b>	<b>322,054</b>
<b>Total net assets</b>		<b>1,118,701</b>	<b>1,117,444</b>	<b>1,118,703</b>	<b>1,117,444</b>
<b>Funds of the Charity</b>					
Total funds (unrestricted)	13	<b>1,118,701</b>	<b>1,117,444</b>	<b>1,118,701</b>	<b>1,117,444</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 £1,257 (2018: £302,876).

The financial statements on pages 17 to 29 were approved and authorised for issue by the Board of Trustees on 9<sup>th</sup> June 2020 and signed on its behalf by:



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

**Consolidated Cash Flow Statement for the year ended 31 December 2019**

	<b>Note</b>	<b>Group 2019 £</b>	<b>Group 2018 £</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>16</b>	<b>(120,399)</b>	<b>(182,547)</b>
<b>Cash flows from investing activities:</b>			
Dividends from investments and interest		<b>17,250</b>	16,795
Purchase of tangible fixed assets		<b>(9,382)</b>	(10,558)
<b>Purchase of intangible fixed assets</b>		-	-
Purchase of investments		<b>(14,312)</b>	-
Proceeds from the sale of investments		-	-
<b>Net cash (used)/provided by investing activities</b>		<b>(6,444)</b>	<b>6,237</b>
 Change in cash and cash equivalents during year		<b>(126,843)</b>	(176,310)
Cash and cash equivalents at start of year		<b>490,976</b>	667,286
<b>Cash and cash equivalents at end of year</b>		<b>364,133</b>	<b>490,976</b>

## Notes to the Financial Statements for year ended 31 December 2019

### 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, Parentkind Enterprises Limited (PEL) company number 3884281, 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	82.9% (2018: 84.1%)
PR, policy and research	17.1% (2018: 15.9%)

**Notes to the Financial Statements for year ended 31 December 2019 (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 cost (previously net book value)
Office equipment	33% on cost
Furniture, fixtures and fittings	20% on cost

**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 join a defined contribution 'money purchase' pension scheme upon starting their employment. 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 based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**Notes to the Financial Statements for year ended 31 December 2019 (continued)**

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.

The value of land is estimated at 33% of the total property value, this judgement is based upon advice from a surveyor, who revalued the building in 2016. The depreciation policy for the building was changed from on net book value to the on cost basis, to better reflect the useful economic life. This change in estimation was applied from 1 January 2019 onwards.

**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.

	Unrestricted funds	Restricted funds	Total funds 2018
	£	£	£
Members' subscriptions	1,356,700	-	1,371,986
Discounts allowed	(57,480)	-	(57,270)
Training	19,106	-	39,045
Grants/Contracts	35,250	10,000	-
Total charitable activities	<u>1,353,576</u>	<u>10,000</u>	<u>1,353,761</u>

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

The wholly owned trading subsidiary PEL, company number 3884281, is incorporated in the United Kingdom and pays all of its profits to the Charity by Gift Aid. PEL 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:

	2019	2018
	£	£
Commercial activities	139,961	181,368
Donations	1,500	-
Cost of sales and administration costs	<u>(123,896)</u>	<u>(161,340)</u>
Net profit	17,565	20,028
Payment made via Gift Aid to the Charity	<u>(17,565)</u>	<u>(20,028)</u>
Retained in subsidiary	<u>-</u>	<u>-</u>
Current assets	153,903	200,983
Current liabilities	<u>(152,903)</u>	<u>(199,983)</u>
Total net assets	<u>1,000</u>	<u>1,000</u>
Aggregate share capital and reserves	<u>1,000</u>	<u>1,000</u>

**Notes to the Financial Statements for year ended 31 December 2019 (continued)**

<b>4a) Analysis of charitable activities 2019</b>	<b>Staff costs</b>	<b>Other direct costs</b>	<b>Governance &amp; support costs (see note 4b)</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Membership services	547,319	230,321	232,356	<b>1,009,996</b>
PR, policy & research	343,042	47,531	55,189	<b>445,762</b>
<b>Total resources expended</b>	<b>890,361</b>	<b>277,852</b>	<b>287,545</b>	<b>1,455,758</b>

<b>Analysis of charitable activities 2018</b>	<b>Staff costs</b>	<b>Other direct costs</b>	<b>Governance &amp; support costs (see note 4b)</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Membership services	549,986	353,732	309,327	<b>1,213,045</b>
PR, policy & research	322,630	67,009	64,560	<b>454,199</b>
<b>Total resources expended</b>	<b>872,616</b>	<b>420,741</b>	<b>373,887</b>	<b>1,667,244</b>

<b>4b) Analysis of governance and support costs 2019</b>	<b>General support</b>	<b>Governance function</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Legal & professional fees	63,323	18,652	<b>81,975</b>
Meeting costs – venue hire, travel and catering	30,246	9,842	<b>40,088</b>
Staff training	8,504	2,767	<b>11,271</b>
Premises costs	32,723	10,648	<b>43,371</b>
IT and communications	57,920	18,846	<b>76,766</b>
General office	12,735	4,144	<b>16,879</b>
Audit fees	-	17,195	<b>17,195</b>
<b>Total governance and support costs</b>	<b>205,451</b>	<b>82,094</b>	<b>287,545</b>

<b>Analysis of governance and support costs 2018</b>	<b>General support</b>	<b>Governance function</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Legal & professional fees	120,393	32,433	<b>152,826</b>
Meeting costs – venue hire, travel and catering	25,744	7,236	<b>32,980</b>
Staff training	10,746	3,020	<b>13,766</b>
Premises costs	38,778	10,899	<b>49,677</b>
IT and communications	80,106	22,515	<b>102,621</b>
General office	8,834	2,483	<b>11,317</b>
Audit fees	-	10,700	<b>10,700</b>
<b>Total governance and support costs</b>	<b>284,601</b>	<b>89,286</b>	<b>373,887</b>

**Notes to the Financial Statements for year ended 31 December 2019 (continued)**

**5 Total expenditure**

Included in total expenditure is the following:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Audit fee (current year)	<b>11,500</b>	10,700
Audit fee (prior year under accrual)	<b>5,695</b>	-
Depreciation	<b>12,252</b>	15,175
Operating lease rentals	<b>629</b>	1,292

**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.

**7 Employees**

The monthly average number of employees for the year was 29.7 (2018: 28.3) and the monthly average Full Time Equivalent was 26.6 (2018: 24.8) whose total remuneration was:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Salaries and wages	<b>799,173</b>	823,011
Social security costs	<b>74,497</b>	78,444
Pension costs	<b>86,177</b>	63,461
	<b><u>959,847</u></b>	<b><u>964,916</u></b>

No employees received emoluments which fell within the band £60,000 - £70,000 (2018: 1).

No employees received emoluments which fell within the band £80,000 - £90,000 (2018: 1).

The key management personnel of both the Charity and the group comprise the Trustees and the Executive Team. The Trustees are not remunerated. During 2019, we had four members of the Executive Team - the Acting Chief Executive (who left the organisation in June 2019), the Chief Executive (who joined the organisation in June 2019) the Operations and Finance Director and the Development and Membership Director. The total employee benefits of the key management personnel, including employer's national insurance contributions and pension contributions in 2019, were £205,567 (2018: £174,687).

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 25 (2018: 28).



**Notes to the Financial Statements for year ended 31 December 2019 (continued)**
**8 Tangible fixed assets (Group and Charity)**

	Freehold property	Furniture, equipment, fixtures & fittings	Total
Cost	£	£	£
At 1 January 2019	456,559	48,875	505,434
Additions	-	9,382	9,382
Disposals	-	(25,723)	(25,723)
At 31 December 2019	<b>456,559</b>	<b>32,534</b>	<b>514,816</b>
<b>Depreciation</b>			
At 1 January 2019	67,760	36,636	104,396
Charge for year	6,087	6,165	12,252
Disposals	-	(25,723)	(25,723)
At 31 December 2019	<b>73,847</b>	<b>17,078</b>	<b>116,648</b>
<b>Net book value</b>			
31 December 2019	<b>382,712</b>	<b>15,456</b>	<b>398,168</b>
31 December 2018	<b>388,799</b>	<b>12,239</b>	<b>401,038</b>

All assets are used in the administration of the Charity. Freehold land is held at a value of £152,186 and is not depreciated.

**9 Fixed asset investments**

Market value	Group and Charity Listed investments	Charity Subsidiary company	Charity total
	£	£	£
At 1 January 2019	393,352	1,000	394,352
Additions	14,312	-	14,312
Net gains/(losses) on investments	61,741	-	61,741
31 December 2019	<b>469,405</b>	<b>1,000</b>	<b>470,405</b>
<b>Historic cost</b>			
31 December 2019	<b>414,000</b>	<b>1,000</b>	<b>415,000</b>
31 December 2018	<b>414,000</b>	<b>1,000</b>	<b>415,000</b>

**Notes to the Financial Statements for year ended 31 December 2019 (continued)**

The Charity holds investments in the Alpha Charity Authorised investment funds for Endowments Long Term Reserve managed by Sarasin & Partners LLP.

The Charity owns 100% of the issued share capital of PEL and the balance of reserves at 31 December 2019 was £1,000. The Charity is also the sole member of National Confederation of Parent Teacher Associations (NCPTA) and Parent Teacher Associations UK (PTA UK), both of which

are companies limited by guarantee. Neither company has any share capital and the liability of Parentkind is limited to the sum of £1 for each. During this accounting period both NCPTA and PTA UK remained dormant.

# 10 Debtors

	Group 2019	Group 2018	Charity 2019	Charity 2018
Amounts falling due within one year	£	£	£	£
Trade debtors	1,682	32,213	1,224	4,082
Balances due from subsidiary	-	-	129,182	161,310
Amount due from subsidiary under Gift Aid	-	-	17,565	20,028
Value added tax receivable	2,223	43,253	(4,467)	88,775
Prepayments and accrued income	141,467	130,550	117,361	111,094
	<b>145,372</b>	<b>206,016</b>	<b>260,865</b>	<b>385,289</b>

# 11 Creditors

	Group 2019	Group 2018	Charity 2019	Charity 2018
Amounts falling due within one year	£	£	£	£
Trade creditors	33,370	32,032	33,370	32,032
Membership subscriptions paid in advance	179,421	161,839	179,421	161,840
Accruals and deferred income	26,846	156,877	20,689	138,231
Other taxation and social security	18,740	23,190	18,740	23,190
	<b>258,377</b>	<b>373,938</b>	<b>252,220</b>	<b>355,293</b>

# 12 Membership subscriptions paid in advance

	2019	2018
	£	£
Balance at 1 January	161,840	147,621
Amount released to income earned from charitable activities	(161,840)	(147,621)
Amount deferred in year	179,421	161,840
Balance at 31 December	<b>179,421</b>	<b>161,840</b>

**Notes to the Financial Statements for year ended 31 December 2019 (continued)**
**13 Analysis of charitable funds**
**a) Analysis of group net assets between funds**

	<b>Total and unrestricted 2019 £</b>	<b>Total and unrestricted 2018 £</b>
Investments	<b>469,405</b>	393,352
Tangible fixed assets	<b>398,168</b>	401,038
Intangible fixed assets	-	-
Cash	<b>364,133</b>	490,976
Other net current assets/(liabilities)	<b>(113,005)</b>	(167,922)
At 31 December	<b><u>1,118,701</u></b>	<b><u>1,117,444</u></b>

**b) Analysis of movements in funds**

	<b>Total and unrestricted 2019 £</b>	<b>Total and unrestricted 2018 £</b>
At 1 January	<b>1,117,444</b>	1,420,320
Net movement in funds	<b>1,257</b>	(302,876)
At 31 December	<b><u>1,118,701</u></b>	<b><u>1,117,444</u></b>

**c) Analysis of unrestricted funds**

	<b>General fund £</b>	<b>Capital expenditure fund £</b>	<b>Development fund £</b>	<b>Fixed Asset fund £</b>	<b>Total £</b>
At 1 January 2018	1,214,946	33,000	172,374	-	1,420,320
Net movement in funds	(231,324)	(33,000)	(38,552)	-	(302,876)
At 31 December 2018	<b><u>983,622</u></b>	<b><u>-</u></b>	<b><u>133,822</u></b>	<b><u>-</u></b>	<b><u>1,117,444</u></b>
At 1 January 2019	983,622	-	133,822	-	1,117,444
Net movement in funds	(263,089)	-	(133,822)	398,168	1,257
At 31 December 2019	<b><u>720,533</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>398,168</u></b>	<b><u>1,118,701</u></b>

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

During the year the Trustees decided to remove the designation of £133,822 as a development fund and release these funds back to the general fund. The Development fund was designated to support research and develop opportunities to extend our reach in encouraging parental participation in schools.

## Notes to the Financial Statements for year ended 31 December 2019 (continued)

The Trustees also decided to create a new designated fund, equal to the value of tangible and intangible fixed assets, in order to better track the current level of free reserves.

### 14 Transactions with Trustees and connected persons

The Trustees do not receive any remuneration. Nine of the fourteen Trustees who served during the year received in total £3,903 (2018: 4 Trustees received £1,899) as reimbursement for out of pocket expenses (travel and subsistence) while carrying out the Charity's business.

Included in both income and expenditure is £6,000 (2018: £5,000) 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.

Other than the single related party transaction identified above, there were no other transactions with any persons and entities closely connected to the charity or its trustees.

### 15 Commitments

At 31 December 2019 the Charity had the following commitments payable relating to office equipment held under non-cancellable leases:

	2019	2018
	£	£
Non-cancellable operating leases which fall due as		
within one year	472	629
two to five years	-	472

### 16 Reconciliation of net incoming/(outgoing) resources to net cash flow from operating activities

	2019	2018
	£	£
Net incoming/(outgoing) resources for the year	1,257	(302,876)
Depreciation	12,252	15,175
(Gains)/loss on investments	(61,741)	31,216
Dividends from investments	(17,250)	(16,795)
Decrease/(increase) in debtors	60,644	(27,807)
(Decrease)/increase in creditors	(115,561)	118,540
Net cash provided by/(used in) operating activities	(120,399)	(182,547)

### 17 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 2019 was £13 (2018: £7).

**Notes to the Financial Statements for year ended 31 December 2019 (continued)**

**18 Financial instruments**

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Financial assets measured at amortised cost</b>				
Trade debtors	<b>1,682</b>	32,213	<b>1,224</b>	4,082
Total due from subsidiary	-	-	<b>146,747</b>	181,338
Cash and cash equivalents	<b>364,133</b>	490,976	<b>241,485</b>	292,058
<b>Financial assets measured at fair value</b>				
Investments	<b>469,405</b>	393,352	<b>470,405</b>	394,352
<hr/>				
<b>Financial liabilities measured at amortised cost</b>				
Trade creditors	<b>33,370</b>	32,032	<b>33,370</b>	32,032
Accruals excluding deferred income	<b>14,819</b>	133,231	<b>14,819</b>	133,231
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