

REGISTERED COMPANY NUMBER: SC356976 (Scotland)

REGISTERED CHARITY NUMBER: SC012838

EAST PARK SCHOOL
TRADING AS EAST PARK
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

INTRODUCTION

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 (FRS102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC356976 (Scotland)

Registered Charity number

SC012838

Registered office

1092 Maryhill Road
Glasgow
G20 9TD

Trustees

Mr G I Wells	Chair
Mrs L M Dalziel	Treasurer
Ms K M Howie	Vice-Chair
Mr A A Campbell	
Ms M Hawthorn	
Mrs C McGhee	
Mr C Ewer	
Mr T F O'Connell	Appointed 09/06/2020
Mrs J M McLaren	Appointed 08/09/2020
Mrs C M Filippi	Appointed 08/09/2020
Mr J T Daly	Appointed 01/01/2021
Mrs H T P Glen	Resigned 31/12/2020

Senior Management Team

Kieron O'Brien – Executive Director
Geraldine O'Neill – Head of Care Services
Catriona Campbell – Head of Education

Auditors

Hardie Caldwell LLP
Statutory Auditors
Chartered Accountants
Citypoint 2
25 Tyntrum Street
Glasgow
G4 0JY

Bankers

The Royal Bank of Scotland plc
Milngavie Branch
24 Douglas Street
Milngavie
Glasgow
G62 6PB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Solicitors

Law at Work
Kintyre House
205 West George Street
Glasgow
G2 2LW

Investment Managers

Rathbone Investment Management
George House
50 George Square
Glasgow
G2 1EH

STRUCTURE, GOVERNANCE AND MANAGEMENT

East Park was founded in 1874 and is governed by a Board of Trustees, appointed in accordance with the charity's Memorandum & Articles of Association.

East Park is a registered charity operating in Scotland (Scottish charity number SC012838), and a company limited by guarantee (SC356976). Details of the trustees and senior management staff who served during the year and since the year-end are provided. The trustees are responsible for ensuring that the annual financial statements prepared give a true and fair view of the state of affairs of the charity at the end of each year and of the incoming resources and resources expended for each year.

The Board comprises trustees elected for their experience and anticipated contribution to the governance of East Park. The Board meets at least five times a year, approving educational and care strategy and planning, organisational and financial policy, investment and reserves policy, budgets, and corporate and business development plans. The Board operates two Committees - the General Purposes Committee, and the Services Quality Assurance and Development Committee. The Board delegates executive responsibility to the Executive Director and the senior management team who have collective responsibility for the operational management of the organisation.

In 2020/21, one trustee resigned from East Park, and four new trustees was appointed. This brought the total number of trustees to eleven during 2020/21.

The senior management team comprises the Executive Director, Head of Care Services and Head of Education.

The Board regularly assesses its effectiveness and the skill set and knowledge it requires to operate at a high level. Trustees are appointed from diverse backgrounds for their expertise, knowledge and interest in education, child social care policy, charity law, finance, accounting etc. They are recruited in various ways including advertising. In all cases, at least two members of the Board interview potential new trustees. Any recommendation for appointment is approved at a full meeting of the Board. New trustees are invited to participate in a bespoke induction programme and are given detailed information on the operation of East Park, its plans and priorities. Trustees are invited to attend information sessions and seminars organised internally and by external bodies, to keep them up-to-date on relevant policy, legislation, charity law and other matters.

The trustees consider that the trustees, the Executive Director, Head of Care Services and Head of Education are the key management team being those with the authority and responsibility to direct and control the charity. The remuneration policy for all employees is to match skills, experience and qualifications of each position consistent with a framework and considering market levels in the locality of the employment base.

In addition to maintaining close relationships with regulatory bodies and commissioning managers from local authorities, East Park participates in a number of networks to ensure it keeps abreast of legislative requirements, best practice and innovation relevant to its work. These include:

- Education Through Care Scotland;
- Scottish Autism Research Group;
- Grant-aided Special Schools Group and other Scottish Government Groups; and
- National Autistic Society.
- Scottish Council of Independent Schools (SCIS).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which East Park was established as stated in the Memorandum of Association are:

“the advancement of education and the advancement of care by the provision of a range of residential, social, and educational services on a short or long term basis to children and young people with complex additional support needs arising from profound learning disabilities and/or autism spectrum disorder, sensory/motor and physical impairments with associated challenging behaviours.”

East Park constantly strives to put the children and young people at the centre of the provision of these services, working with families and external partners, seeking innovative, creative and effective personalised approaches enabling each individual to reach his or her maximum potential.

East Park responds to the needs of national and local communities. East Park regularly reviews and adapts this provision to meet the evolving needs of the communities in the care and education of young people with highly complex additional support needs. East Park recognises the continuing and increasing need to support young people on the autism spectrum and have responded to this by developing a specialist workforce with high-level skills and expertise. East Park’s core provision is provided to approximately 30 children and young people from across Scotland. It is a holistic education and care service that seeks to provide the children and young people with the life skills and coping strategies to enable them to develop more self-awareness and self-regulatory coping strategies and so introduce a new cycle of positive experiences and expectations. This in turn leads to increased confidence, success and increased social participation. East Park also provides a post school service called Workmates, which enables young people, to further develop their coping strategies into adulthood.

Each child and young person’s needs are assessed and an individualised plan to support the achievement of targeted outcomes is established. Their progress is monitored closely with the plan and target outcomes adjusted as required to support development. Each young person’s achievements provide evidence of their and the organisation’s success. The work at an individual level is monitored at an organisational level within the different strands of the annual departmental plans under the main priorities: wellbeing, outcomes, quality improvement and continuing professional development. The departmental plans are extracted from the rolling three-year Development Plan, which the Board reviews regularly and approves annually.

East Park’s success at an organisational level is generally measured against the delivery of the Development Plan and the positive outcomes achieved by the children and young people. Trustees assess the performance of the organisation via regular internal and external reporting to the Board. External reports on the quality and success of East Park’s work include the Care Inspectorate, Education Scotland, the National Autistic Society and the Scottish Qualifications Authority inspections and re-accreditations.

RISK MANAGEMENT

The Board places a high priority on effective risk management to ensure that the charity operates within its financial capabilities and makes prudent financial decisions. In addition to financial risk management, the trustees also place a high priority on minimising exposure to risk to service users, staff and visitors. Policies and procedures are in place covering care practice and provision, health and safety related matters, fire, administrative arrangements etc. Detailed risk assessments are in place and reviewed regularly to protect the health, safety and welfare of the children, young people and staff.

The organisation wide Risk Register is reviewed on a rolling basis at each meeting of the General Purposes Committee and the Inclusion and Achievement Committee which reports back to the Board. During 2020/21, the Inclusion and Achievement Committee changed its name to the Services Quality Assurance and Development Committee to better reflect its governance function. Part of the change was to incorporate the School Quality Management Group sub-committee function into that of the Inclusion and Achievement Committee, thereby providing for fewer committee meetings, and enhancing the overall oversight and function of the Services Quality Assurance and Development Committee to monitor and review the progress of both Education and Care triennially.

The Board reviews the Risk Register annually. The principal risks are identified and mitigation strategies discussed and agreed. As at March 2021, the Board identified the following as the most significant risks:

Risk Description – Financial

East Park is currently still largely reliant on the Scottish Government grant to meet a significant proportion of expenditure. During 2020/21 East Park entered into the first phase of grant reduction and will continue to do so over the next seven years, when it is anticipated East Park’s main funding will be from fees received from the local authorities for placements. Any reduction to grant funding will affect the future fee structure of East Park going forward as outlined in the East Park financial model.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

RISK MANAGEMENT (continued)

Strategy to manage risk

Fee levels are reviewed annually during the budget process, and there is ongoing engagement with local authorities and other key stakeholders. This will continue to be reviewed to recognise the potential for the reduction in grant funding. Financial modelling has been undertaken to ensure future fee levels are sustainable.

Risk Description – Environmental and External

East Park is negatively impacted by changes to residential childcare support workers' qualification requirements under the residential Child Care Standards (under review by the Scottish Government as at 2020).

Strategy to manage risk

The Board and the senior management team will consider the optimum staffing structure in response to changes when the timing of implementation is clarified and in line with strategic considerations brought about by the COVID-19 pandemic. The preparedness and swift action has enabled East Park to continue operations during this time and continues to do so successfully and effectively.

Risk Description - COVID-19 Pandemic

This potentially impacts on all aspects of East Park in relation to operations, staffing, finance and strategic management.

Strategy to manage risk

East Park has put systems and plans in place to mitigate against the uncertainty, unstable and changing environments. East Park is collaborating mostly with the Scottish Government and other external agencies and stakeholders to mitigate against potential risk to the organisation. The Continuity Plan, Business Plans, COVID-19 Action Plan and Significant Adverse Event Plan have proved effective and beneficial during this time. Remarkably we have seen quite a substantial increase in the staffing establishment numbers during this time as our service has continued to be mostly fully subscribed.

ACHIEVEMENT AND PERFORMANCE

Residential Care Services

East Park provides a bespoke and child-focussed residential care service to children and young people with complex additional support needs, many of whom are on the autism spectrum and have related behavioural issues.

East Park's residential care service consists of four community houses, all of which are set within pleasant residential developments, and two houses on East Park's main Maryhill Road campus, which constitute our more recently established Residential Intensive Support Service.

These residential houses and specialised environments, along with the support of our dedicated and trained residential care team, support children and young people to develop their social and independence skills in preparation for life in the adult world. Everyday activities such as managing to sit round a table with others at mealtimes, going to the shops to choose food for dinner, or simply playing a game with peers are major achievements for many of the young people.

The children and young people live socially valued and fulfilling lives as part of the community, experiencing neighbourly relationships, and having full access to local community activities and resources e.g. youth groups, karate clubs, dance classes.

Every resident young person has a keyworker who acts as a designated link person co-ordinating all aspects of their care. The keyworker supports the young person on a day-to-day basis and works closely with education staff to develop and implement positive and supportive behavioural strategies. In relation to the planning and reviewing process, the keyworker will also support the young person to express their views and choices and to participate, as far as is possible, in all decisions, which may affect their lives.

Our staff teams are dedicated, resilient and highly motivated. They are committed to 'staying the course' with young people; supporting them to navigate the often confusing world around them; helping them to develop coping and self-regulatory strategies for difficult times and investing in the young people to ensure positive outcomes, progress and achievement.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE (continued)

Care Inspections and Accreditation

(1) Care Inspections

The residential service comprises two services, each individually registered with the Care Inspectorate. The four off-site community residences are registered as a School Care Accommodation Service and the Residential Intensive Support Service based at the main Maryhill Road campus is registered as a Care Home Service for Children.

Due to the COVID-19 pandemic, all on-site inspection activity was suspended from March 2020 and has not yet recommenced in the residential childcare sector. Communication with the Care Inspectorate took place fortnightly by phone during the first lockdown. Additional reporting requirements have also been imposed by the Care Inspectorate throughout the pandemic and these have been fully complied with. Therefore, there have been no on-site Care Inspectorate inspections in the year from 1 April 2020 to 31 March 2021.

The most recent full inspection of the School Care Accommodation Service occurred in June 2018, and resulted in the following grades:

Quality of care and support:	5 - Very Good
Quality of environment:	3 - Adequate
Quality of management and leadership:	4 - Good

This inspection highlighted a need to further improve and refresh the residential environment in the original four off-site residences. In response to this, the East Park Board of Trustees agreed the funding for a major refurbishment programme. This refurbishment is now complete.

The most recent inspection of the Care Home Service took place in August 2018. The grades awarded were:

Quality of care and support:	5 - Very Good
Quality of management and leadership:	4 - Good

East Park had no Duty of Candour events in the year 2020/21.

(2) National Autistic Society Accreditation

In 2020, East Park was awarded the National Autistic Society (NAS) Advanced Award. East Park is the first children's residential service and first school in Scotland to have received the NAS Advanced Award. This was a great achievement and credit to our dedicated and skilled staff team across the organisation.

Referrals

East Park has developed a strong national reputation for being able to support young people at the extreme end of the autism spectrum. These young people often have concomitant behavioural issues, which families and other less specialist services have, understandably, struggled with. This reputation has been further enhanced by the gaining of the NAS Advanced Award.

We continue to have a healthy number of referral enquiries coming from local authorities across Scotland, including some who have not previously referred to East Park.

The COVID-19 Pandemic

No account of the year 2020 can avoid reference to the COVID-19 pandemic.

In March 2020, the Senior Management Team issued the *East Park Continuity and Contingency Plan for the COVID-19 Pandemic*. This detailed the steps we would take to mitigate the deleterious impacts of COVID-19, while maintaining a quality education, care and support service for the young people.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE (continued)

Impact on Staff

One positive aspect to COVID-19 was the significant impact on staffing in the residential service. There had been a national issue in recruiting to the care sector for, at least, the previous two years. That coincided with a significant expanding of the East Park residential team, by 48 staff, when we opened the labour-intensive Residential Intensive Support Service in 2016. As a result, we had never attained a full staffing complement. In addition to this, over the same period, we had to manage the normal movement and turnover of staff in the residential childcare sector.

When lockdown started on 23 March 2020, we had 29 staff vacancies. By the end of 2020 we had only three vacancies across all residences. This period of national job insecurity and high unemployment resulted in reduced staff movement/turnover and a larger pool of candidates for recruitment. Over the last year this has meant that we have had a more stable and consistent staff team which has had clear benefits for the young people in otherwise uncertain times.

Residential staff have coped admirably with the pandemic. They have worked hard to support the young people by continuing to provide a quality service, finding innovative ways to entertain, motivate and stimulate the young people during lockdown, and doing everything they could to compensate for the lack of physical contact with family and friends.

Across East Park, our staff remain our most valued and valuable resources. Staff wellbeing is vitally important to the Senior Management Team, and never more so than during this pandemic. We frequently consider and discuss ways in which we can further support staff in their often very challenging role, to continue to safely, sensitively and emphatically nurture and support the complex young people we work with. To that end, our Human Resources department has developed a comprehensive online Wellbeing Hub which provides details of physical and wellbeing support groups and advice for staff.

Impact on Young People

Staff endeavoured to explain to young people about COVID-19, lockdown and why they had to be separated from their parents and siblings, using simple terminology and social stories.

The majority of the young people dealt well with the restrictions of lockdown. As with any group of young people, some relished the time off school, while others yearned for the routine of the school day.

The greatest impact on the young people was the separation from family members as there was an initial period of about twelve weeks when no visitors were allowed on site. For several young people, this understandably caused significant distress. The tearful reunions that followed the easing of restrictions were emotional and heart-warming moments for families, young people and staff.

Other Achievements

In 2020, East Park's Personal Support Planning system was referred to as an example of "good practice" in a Care Inspectorate guidance publication titled *Guidance for Providers on Personal Planning*.

East Park's Registered Manager and Service Co-ordinator of the Residential Intensive Support Team had a paper published in the Scottish Journal for Residential Childcare in June 2020. The paper was titled *Turning Ordinary Love into Extraordinary Outcomes at East Park*, and considered the impact on young people in residential care of feeling genuinely loved and valued. This topic is very pertinent in light of the recent Scottish Independent Care Review, and the subsequent publishing of "The Promise", a comprehensive commitment by the Scottish Government to children and young people in residential care in Scotland, which states that Scotland's ambition for children and young people is that:

"We grow up loved, safe and respected so that we realise our full potential".

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE (continued)

Education Services

School

Individual Young People's Achievements

In 2021, 11 pupils have been entered for SQA qualifications at National 1 and 2. A total of 48 National 1 units and 6 National 2 units will be submitted at the end of May, which is a small drop from 60 units in 2019-2020. This is in part due to the disruption caused by the pandemic, but also because of a greater emphasis on achieving at National 2. 12 learners will be presented for John Muir Awards this year and we are piloting JASS awards this session – this has been very successful so far and it is likely that we will use this model again next year.

Each child and young person arrives at East Park with a range of complex learning and behavioural challenges around which a bespoke curriculum is built and systematically and regularly reviewed. This looks and in practice is distinctly different to a mainstream school environment. At East Park, the Curriculum for Excellence is delivered through robust, responsive timetabling, flexible proportionate curricula delivery, therapeutic support and adaptable engagement. Putting the child first involves a multitude of approaches that are determined by the challenges and barriers the child and/or young person is exhibiting at any given time. There is no one size fits all in our integrated care and educational approach, which is designed according to the individual needs of the child and/or young person.

Education Scotland

East Park School was last inspected in December 2016, and engagement with the inspection team continued following their assessment as 2 weak and 2 satisfactory grades. Following this report and a series of follow up visits, we were delighted to receive their written report on 25 June 2019, signing off the original inspection visit. It is likely that the school will be inspected again soon.

The school management team consists of 1.8 FTE Principal Teachers and 2.6 FTE Senior Learning Support Workers, who work with the Head of Education to manage the daily running of the school and the implementation of the School Improvement Plan (SIP). The Inclusion and Achievement Committee continued to receive detailed reporting on progress throughout 2020/21, with further reports being provided to the Board, and quality assurance is also monitored via the Services Quality Assurance and Development Committee (set up to replace the Inclusion and Achievement Committee during the year).

Teachers and Learning Support Workers work together in SIP groups across 3 themes – Communication; Building Life Skills, Independence, and Community; and Multisensory Approaches and Play. 2 of the 6 classes focussed on each theme, a development from last year's approach which was more workable within the context of class 'bubbles'. As we move into the summer term, we are very excited to be participating in the pilot of the new Play Pedagogy Awards.

Advanced Autism Accreditation

We were delighted to be awarded this accreditation following our visit from the National Autistic Society in October 2020. The award was given in recognition of East Park's high quality autism practice, joined-up approach across care and education and commitment to continuous improvement. Our achievement was later celebrated in the Glasgow Times, and local MSP Bob Doris raised a motion highlighting the work of East Park at Holyrood.

Key Developments

Our children and young people are arriving at East Park with increasingly complex sensory needs, and we again sought to use Pupil Equity Funding to enhance our provision in this area. In September, we hosted 'Out to play', an EcoDrama programme combining outdoor learning, play, drama and storytelling. Working with a drama artist-in-residence, learners participated in themed workshops, and staff were offered tailored CPD opportunities which have already had a positive impact on our practice. The work was showcased with an article and focus piece by CELCIS. Given the limitations on community activity, we were fortunate to be able to continue with our weekly Forest School provision, both in a local park and in the school grounds. Both of these initiatives have made a significant impact on children's readiness to learn, as well as contributing to their physical fitness and self-confidence.

Pupil achievements continue to be celebrated on a weekly basis at assemblies, but this year we have taken these online via Zoom, meaning that our pupils could participate with their families or in our residencies even at the peak of the pandemic. This made the event more accessible to our children and young people, and we added Fischy Music sing-a-longs and Music Making sessions to the weekly diary, ensuring that our wider community could remain connected.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE (continued)

Workmates

There has not been a Care Inspectorate visit this session. Our last, unannounced, inspection was on 4 July 2019, and was part of the new pilot Care Inspectorate inspection model. East Park was happy to be graded Very Good (5) and Good (4) across 2 key questions:

- How well do we support people's wellbeing? (5) and;
- How well is our care and support planned? (4)

The previous evaluation was grade 4 across all areas.

There are currently 19 young people attending, with 2 due to leave in June. Demand continues to outstrip capacity, and many current young people are seeking additional sessions; there are a further 2 confirmed new placements and all sessions are expected to be filled in the year ahead. For the first time, there is a full time placement.

Workmates provides a varied programme of vocational and community-based activities tailored to the needs of the young people. This has presented challenges over the last year, with almost all community provision inaccessible and the service had to close following guidance from the Care Inspectorate, but the Service Manager and Senior Learning Support Worker have worked with the team to ensure that since reopening, young people have been able to participate in virtual community activities, outdoor activities and more partnership working with the school. As Workmates and School staff continue to work closely together, the range of opportunities has been extended for the children and young people across both teams; the groups enjoy coming together for weekly Fischy music sing-a-longs, art activities, and use of the allotment.

Learning and Development

East Park is committed to delivering a comprehensive programme of learning and development opportunities to colleagues across East Park. Through our blended learning approach, our personal and professional development opportunities ensure that all colleagues have access to high quality resources to build, enhance and update the skills and knowledge necessary for the delivery of high quality outcomes and innovative practice to support all of our children and young people using our service.

The Learning & Development team continues to support staff in achieving the required qualifications for registration with the Scottish Social Services Council, and recognition with Her Majesty's Inspectorate and Autism Accreditation with the National Autistic Society. Our Learning & Development team work with colleagues to provide the support, including any special arrangements they may require undertaking their qualification.

Our Learning & Development team currently support:

- 19 Candidates undertaking SVQ 3 Social Services children and young people award
- 4 Candidates undertaking SVQ 4 Social Services children and young people award
- 5 Candidates undertaking the HNC Social Services award
- 2 Candidates undertaking the PDA in learning & Development (assessor award)
- 2 Candidates undertaking the PDA in learning & Development (verifiers award)

We have also started to gather names for our next group of staff to undertake awards, and we anticipate another 15 staff undertaking their SVQ3, 2 undertaking the level 4 award, and a further 10 staff undertaking their HNC.

Fundraising and Volunteers

East Park is extremely grateful to the many donors who support our work and we extend our thanks to all the Trusts & Foundations, companies, community groups and individuals who made generous donations, both funding and in-kind donations.

East Park's fundraising is project driven and fundraising activities during the year are targeted to ensure we are adding value or additional resources to our core service delivery. The Fundraising team sends out both project led funding applications and generic applications to corporates, community groups and Trusts and Foundations who provide many activity opportunities for the young people. Total income from fundraising donations totalled approximately £49,000 (excluding gifts in kind and specific grant funding).

East Park benefits greatly from the support of volunteers across the organisation, those who donate their time and expertise to support the charity over the year via diverse activities. Due to the COVID-19 pandemic, we have not been able to work with any volunteers during 2020/21. We look forward to being able to welcome volunteers back to East Park as soon as we are able. East Park benefitted from support from individuals undertaking sponsored events. Trustees provide significant support in the form of expertise and time. In 2020/21, this has totalled to 526 hours provided by twelve trustees (this figure includes the contribution of the one trustee who resigned during the year).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Financial position

Trustees and the Senior Management Team are responsible for the financial performance of East Park and its services. The Senior Management Team are responsible for ensuring that services are efficiently managed and subject to on-going financial monitoring and review to ensure that costs are maintained within achievable income levels.

The Statement of Financial Activities at page 15 details the financial results for the year ended 31 March 2021. Income totalled £7,244,026 (2019/20: £6,816,891) with expenditure before gains /losses and transfers of £7,376,234 (2019/20: £6,425,987). After accounting for a gain on investments of £903,590 (2019/20: loss £606,965) there was a final surplus in the year of £771,382 (2019/20: deficit £216,061).

The principal sources of funding for East Park are fees charged to local authorities for the provision of educational and residential child care services and direct grant funding from the Scottish Government. More detail is provided in notes 3 and 6. A significant proportion (approximately 84%) of East Park's expenditure is on staffing resources to ensure we adequately care for and support our children and young people, helping them to achieve their maximum potential.

The notes to the financial statements provide more detailed information on total income and expenditure during the year. Income from charitable activities was higher than the previous year due to an increase in support provided to children and young people. There were some challenges around meeting our planned income targets for the year as a result of COVID-19 and the restrictions that this inevitably caused. However this was carefully monitored during the year to ensure any income shortfalls were identified and the budget impact was managed. Local authorities were supportive in continuing to pay us in a timely manner throughout the year, ensuring there was no adverse impact on our cash flow. The increase in service provision also increased staffing and other costs, and these costs were carefully managed in line with service requirements. During the year there was an increase in expenditure as a result of COVID-19, additional staffing costs were incurred due to the need to cover higher than normal absences, and there was increased expenditure on PPE, infection control and other health and safety measures throughout the organisations. The Scottish Government were extremely supportive in relation to these additional costs, and further grant funding of £156,000 was provided to meet these costs.

The value of the fixed assets fund at £7,216,499 reflected funds tied up in the properties, fixtures, fittings, and motor vehicles. This leaves a total General Fund balance of £7,199,490 at 31 March 2021 (2019/20: £6,431,885). Of this total, £5,137,268 is held within East Park's investment portfolio comprising fixed investments of £5,083,272 and £53,996 held in cash with East Park's fund managers, Rathbone Investment Management. Within the total General Fund balance of £7,199,490, it is anticipated that our Reserves will be £5,561,000, and designated funds will be £1,638,490. This will be reviewed in detail following the approval of the audited financial statements. The balance on the restricted funds as at 31 March 2021 was £20,935 (2019/20: £33,835). Note 20 to the financial statements details the movements in all funds.

Investment policy and objectives

East Park holds an investment portfolio with Rathbone Investment Management. A discretionary investment arrangement exists with the appointed fund managers. The investment objectives continue to be a balance between income and capital growth with a medium degree of risk. The Investment Policy is reviewed annually. This policy states that fund managers must ensure that funds are invested in line with due ethical considerations being given to the charitable objectives of East Park. At the balance sheet date, these investments were valued at £5,137,268, represented by fixed investments of £5,083,272 and cash of £53,996. Movements in the fixed investments are detailed in note 17. Income from the portfolio was £115,576 in 2020/21.

As can be seen from the Statement of Financial Activities on page 15, a gain in investments of £903,590 arose in 2020/21. This compares with the loss of £606,695 experienced in 2019/20 which arose as a result of the significant market uncertainty caused by the COVID-19 pandemic. This had a significant adverse impact on our investments at March 2020, but throughout 2020/21 we have seen this steadily improve and by 31 March 2021 our total investments were £5,137,268 which was back to our pre-pandemic levels.

In addition to this, East Park holds cash investments in support of its general operating reserve.

Reserves policy

The Reserves Policy was reviewed during the year and a revised Reserves Policy was approved in August 2020. It was agreed that this would be reviewed and updated annually following the presentation of the audited financial statements to ensure Reserves remained appropriate for current circumstances.

The General Fund balance is £7,199,490 at 31 March 2021. The revised Reserves Policy in August 2020 agreed an available sum of £1,195,776 to be designated to support service improvements and development as contained in the approved 2020/23 Business Development Plan at that time. This was a reduction on the previous year due to the investment loss experienced in 2019/20. However, due to the investment gain in 2020/21, it is now anticipated that designated funds will be around £1,638,490 which is in line with the designations approved prior to the pandemic. These will support service improvements and development as contained

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW (continued)

within the approved 2021/24 Business Development Plan. This will be reviewed and finalised following approval of the audited financial statements. It is anticipated that our Reserves will be £5,561,000 in line with our policy of retaining approximately 9 months of our operational budget. In line with the approved Reserves Policy, £3,671,000 is held as a strategic reserve, with funds invested in our Investment Portfolio to generate investment income in support of our ongoing objectives. The balance of £1,890,000 remains as an operational reserve to support day to day operational requirements and any commitments being carried forward from 2020/21.

Going concern

In preparing these financial statements, budgets have been examined and the Funds of the charity reviewed. The trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the near future. The COVID-19 pandemic has been retained as an additional risk factor given the potential impact it may continue to have on operations, staffing, finance and strategic management. However, we are confident that the actions that continue to be taken across East Park and the ongoing support of the Scottish Government and local authorities will mitigate against any detrimental impact on our continued operations. Furthermore, we have a strong level of Reserves which provides additional assurance. Throughout 2020/21 we have shown that we have the processes and finance in place to ensure we can manage any uncertainty, and we are confident that this will continue into 2021/22. As a result, the trustees continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

Pensions

East Park has in place two main pension arrangements: The Scottish Teachers' Pension Agency for teaching staff and the People's Pension for non-teaching staff. There are no material liabilities arising from either.

FUTURE STRATEGIC CONSIDERATIONS

The work to develop the care and young adult provision undertaken by East Park over recent years has been strongly endorsed by the Care Inspectorate. Education Scotland has highlighted need for improvements in some areas of the education provision. East Park's objectives for 2021/24 are:

- Increase the internal capacity of our school/residential care intensive support units.
- Developing an administrative hub onsite housing key management, learning and development, HR and Financial departments. This will provide more space for classrooms, specialised areas and opportunities for supporting our children and young people on the main campus, whilst providing bespoke training, marketing and administrative management of the organisation in close proximity to the main site for access and management.
- Continue improving the environment to excellent standards and quality providing a signature and future proofing that supports the culture and services of East Park such as;
 - o Upgrading Mitchell hall, Tuckers, staffroom, Hub, sensory areas and outdoor spaces at all residential houses and main campus.
- Extending our service to other parts of Scotland through a clear strategy that increases the reach of East Park's unique and excellent service and delivery in terms of learning and development. (National Commissioning Initiatives).
- Off-site school/residential/workmates outreach opportunities and services.
- Advocating on behalf of existing children and young people placed at East Park and also in situations in the wider environment where advocacy is required.

The priorities for 2021/24 are:

- Priority 1 - To deliver service quality improvement and development, detailed within the focussed and prioritised plans.
- Priority 2 - Consolidating, embedding and enhancing of our culture and partnership between all our services. Focus on modelling what makes East Park a great place to work and learn.
- Priority 3 - To consolidate and build on the depth and breadth of knowledge and expertise of the staff to the high levels required to support the complexity of the needs of the children and young people.
- Priority 4 - To continue developing the use of compatible and linked technology to increase cross-organisational communication and effectiveness. The focus will be on technology to support the outcomes of the children and young people.
- Priority 5 - To ensure our facilities are well maintained, robustly resourced and 'fit-for-purpose,' standardised quality used to add value to the staff, children and young people's experience at East Park.
- Priority 6 – To continue developing sustainable improvements in our environments to accommodate the increasing support required for our children and young people while also considering future strategic planning options.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FUTURE STRATEGIC CONSIDERATIONS (continued)

In addition, we will continue to consolidate and embed good governance, linked technology, regulatory and mandatory compliance across HR, pension provision, financial management, estate management, H&S, environmental legislation, Data Protection, Freedom of Information and other functions.

East Park will continue to explore and find better and more effective ways of linking specific educational and care professional updates to its IT strategy (Onwards and Upwards) to ensure that critical data can be easily accessed, reviewed and utilised. This will allow a more streamlined, less time-consuming ability to meet both the internal and external processes and procedures such as return to works and incident reporting.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of East Park School for the purpose of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hardie Caldwell LLP, were appointed as auditors of East Park for an initial three-year period commencing in 2016/17, and this has subsequently been reviewed and extended on an annual basis.

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

Approved by order of the board of trustees on 8 June 2021 and signed on its behalf by:

G Wells
Chair of East Park Board of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF EAST PARK SCHOOL

Opinion

We have audited the financial statements of Eastpark School (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF EAST PARK SCHOOL

- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

Extent to which the audit is capable of detecting irregularities, including fraud

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

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the Trustees.

Based on our understanding of the charity, discussions with management and directors we identified financial reporting standards and Companies Act 2006 and Charity SORP as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the charity's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the charity's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review, where applicable, of the Board of Trustees' minutes;
- enquiry of management, about litigations and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgements and estimates, including the carrying value of accruals, recoverability of trade debtors and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions outside the normal course of business;

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organised schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF EAST PARK SCHOOL

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Angus McCuaig (Senior Statutory Auditor)
for and on behalf of Hardie Caldwell LLP
Statutory Auditors
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY
Date:18 June 2021.....

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021		2020	
		Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
INCOME					
Donations and legacies	3	1,519,821	42,908	1,562,729	1,443,325
Charitable Activities:	6				
- School		625,533	-	625,533	616,725
- Supported Accommodation		4,611,434	-	4,611,434	4,289,836
- Workmates		325,581	-	325,581	332,415
Other trading activities	4	2,103	-	2,103	4,282
Investment income	5	116,646	-	116,646	130,308
Total Income		7,201,118	42,908	7,244,026	6,816,891
EXPENDITURE					
Raising funds	7	94,513	-	94,513	63,204
Charitable Activities	8				
- School		1,838,411	30,608	1,869,019	1,671,371
- Supported Accommodation		5,082,041	500	5,082,541	4,362,623
- Workmates		329,861	300	330,161	328,789
Total Expenditure		7,344,826	31,408	7,376,234	6,425,987
Net Income/(Expenditure) before gains or Losses and transfers		(143,708)	11,500	(132,208)	390,904
Gains/(losses) on investments	17	903,590	-	903,590	(606,965)
Net Income/(Expenditure) after gains or Losses, before transfers		759,882	11,500	771,382	(216,061)
Transfer between funds	20	24,400	(24,400)	-	-
Net Movement in Funds		784,282	(12,900)	771,382	(216,061)
RECONCILIATION OF FUNDS					
Total funds brought forward		13,631,707	33,835	13,665,542	13,881,603
TOTAL FUNDS CARRIED FORWARD		14,415,989	20,935	14,436,924	13,665,542

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing operations.

BALANCE SHEET AT 31 MARCH 2021

		2021		2020	
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
FIXED ASSETS					
Tangible assets	15	7,216,499	-	7,216,499	7,199,822
Investments	17	5,083,272	-	5,083,272	4,123,098
Total Fixed Assets		12,299,771	-	12,299,771	11,322,920
CURRENT ASSETS					
Debtors	18	309,325	-	309,325	541,188
Cash at bank and in hand		2,091,594	20,935	2,112,529	1,971,896
Total Current Assets		2,400,919	20,935	2,421,854	2,513,084
CREDITORS					
Amounts falling due within one year	19	(284,701)	-	(284,701)	(170,462)
NET CURRENT ASSETS		2,116,218	20,935	2,137,153	2,342,622
TOTAL ASSETS LESS CURRENT LIABILITIES		14,415,989	20,935	14,436,924	13,665,542
NET ASSETS		14,415,989	20,935	14,436,924	13,665,542
FUNDS					
	20				
Unrestricted Funds				14,415,989	13,631,707
Restricted Funds				20,935	33,835
TOTAL FUNDS				14,436,924	13,665,542

These financial statements have been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 8 June 2021 and were signed on its behalf by:

G Wells
Chair of East Park Board of Trustees

L Dalziel
Treasurer of East Park Board of Trustees

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	339,851	995,104
Net cash provided by (used in) operating activities		<u>339,851</u>	<u>995,104</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(259,280)	(196,707)
Purchase/disposal of investments		(56,584)	(1,098,397)
Dividends from investments		115,576	123,718
Interest received		1,070	6,590
Net cash (used in) provided by investing activities		<u>(199,218)</u>	<u>(1,164,796)</u>
Change in cash and cash equivalents in the Reporting period		140,633	(169,692)
Cash and cash equivalents at the beginning of the Reporting period		1,971,896	2,141,588
Cash and cash equivalents at the end of the Reporting period		<u>2,112,529</u>	<u>1,971,896</u>

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

1 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	771,382	(216,061)
Adjustments for:		
Depreciation charges	242,603	208,568
(Gain)/loss on investments	(903,590)	606,965
Interest received	(1,070)	(6,590)
Investment income	(115,576)	(123,718)
Decrease/(increase) in debtors	231,863	526,899
Increase/(decrease) in creditors	114,239	(959)
Net cash provided by (used in) operating activities	339,851	995,104

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

1 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee, incorporated and registered in Scotland, under company number SC356976 and has no share capital. The liability of each member in the event of winding up is limited to £1. The charity's registered number is SC012838.

The registered office is 1092 Maryhill Road, Glasgow, G20 9TD.

2 ACCOUNTING POLICIES

Basis of preparing the financial statements

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRS102) "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 (FRS102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments included at valuation.

Going concern

In preparing these financial statements, budgets have been examined and the Funds of the charity reviewed. The trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the near future. The COVID-19 pandemic has been added as an additional risk factor given the potential impact it could have on operations, staffing, finance and strategic management. However, it is concluded that ongoing actions being taken across East Park and the ongoing support of the Scottish Government and local authorities will mitigate against any detrimental impact on continued operations. In addition, East Park has a strong level of Reserves which provides additional assurance. We are confident that we have the processes and finance in place to ensure we can manage this known uncertainty, and as such the trustees continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

Income

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs, a category within support costs, are allocated or apportioned to the applicable expenditure headings.

Cost of raising donations and legacies comprise expenditure incurred to attract voluntary income.

Expenditure on charitable activities includes the direct costs incurred and other activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities are apportioned based on the staff utilisation or service delivery.

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

2 ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible fixed assets are included at cost. Assets costing more than £10,000 (one single item, or group of similar items combined) are capitalised, including any incidental expenses of acquisition.

Tangible fixed assets are depreciated by equal annual instalments over their estimated useful lives, as follows

Freehold building	- 50 years
Roofing/external structural works	- 30 years
Internal refurbishments	- 10 years
Motor vehicles	- 8 years new, 1-4 if second hand
Fixtures, fittings, IT equipment	- 3 - 5 years

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market value. The Statement of Financial Activities includes net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for a particular purpose.

Restricted funds are subject to restrictions as imposed by the donor or through the terms of an appeal.

Further details of each fund are disclosed in note 20.

Financial instruments

The charity only 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective rate of interest.

Debtors

Debtors, other debtors and accrued income are recognised at the settlement amount due less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents include cash, bank and deposit accounts with a short term maturity, being twelve months or less, from opening of the deposit or similar account.

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

2 ACCOUNTING POLICIES (continued)

Creditors

Creditors, other creditors and accruals are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, other creditors and accruals are normally recognised at their settlement amount after allowing for any trade discounts due.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Retirement benefits

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are invested in funds independent from those of the charity.

Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3 DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	49,030	52,762
Legacies	75,222	25,789
Grants/restricted income	18,508	45,551
Capital development – restricted	24,400	24,400
Scottish Government grant	1,395,569	1,294,823
Total	1,562,729	1,443,325

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	33,798	37,360

Other grants above include grants of £33,798 receivable from the Scottish Government (2020: £37,360). A standard security over the land and buildings at the East Park site on Maryhill Road has been granted to the Big Lottery Fund in line with their grant conditions for funding received in prior years.

4 OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising	765	328
Other income	1,338	3,954
	2,103	4,282

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

5 INVESTMENT INCOME

	2021	2020
	£	£
Investment income	115,576	123,718
Bank interest	1,070	6,590
	116,646	130,308

6 INCOME FROM CHARITABLE ACTIVITIES

	2021				2020
	£	£	£	£	£
	School	Supported accommodation	Workmates	Total activities	Total Activities
Charitable activities	625,533	4,611,434	325,581	5,562,548	5,238,976

2020	616,725	4,289,836	332,415
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7 RAISING FUNDS

Raising donations, legacies and investment income

	2021	2020
	£	£
Staff costs	32,112	22,358
Other operating expenses	7,484	10,924
Support costs (including Investment Management costs)	53,105	28,413

Investment management costs in 2020/21 were £32,236 (2019/20 £8,040 direct fee, with other costs within net dividends)

Other trading activities

	2021	2020
	£	£
Fundraising	567	294
Support costs	1,245	1,215
Total	1,812	1,509

Aggregate amounts	94,513	63,204
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8 CHARITABLE ACTIVITIES COSTS

	2021		
	Direct costs (note 9) £	Support costs (note 10) £	Total Costs £
School	1,652,786	216,233	1,869,019
Supported accommodation	4,829,438	253,103	5,082,541
Workmates	296,830	33,331	330,161
Total	6,779,054	502,667	7,281,721

9 DIRECT COSTS OF CHARITABLE ACTIVITIES COSTS

Analysis of expenditure on charitable activities

	2021				2020
	School £	Supported Accommodation £	Workmates £	Total £	Total £
Staff costs	1,242,247	4,272,801	265,939	5,780,987	4,950,574
Property costs	249,268	324,716	12,448	586,432	540,307
Vehicle costs	14,499	17,999	3,500	35,998	38,570
Other operating costs	146,772	213,922	14,943	375,637	341,787
Total	1,652,786	4,829,438	296,830	6,779,054	5,871,238

2020	1,460,092	4,115,089	296,057
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10 SUPPORT COSTS

	2021		
	Other £	Governance Costs £	Total £
Charitable activities:			
School	209,378	6,855	216,233
Supported accommodation	235,279	17,824	253,103
Workmates	31,960	1,371	33,331
Total charitable activities	476,617	26,050	502,667
Costs of generating voluntary & Investment income	51,734	1,371	53,105
Fundraising trading: cost of goods sold & other costs	1,245		1,245
Overall Total	529,596	27,421	557,017

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

10 SUPPORT COSTS (continued)

Other support costs:

	2021			
	Costs of generating voluntary & investment income £	Fundraising trading: costs of goods sold & other costs £	School £	Supported Accommodation £
Staff costs	18,791	1,199	160,852	199,920
IT and office expenses	478	30	36,587	25,963
Legal, professional, bank charges	32,465	16	11,939	9,396
Total	51,734	1,245	209,378	235,279

	2021		2020
	Workmates £	Total activities £	Total activities £
Staff costs	27,928	408,690	401,215
IT and office expenses	3,372	66,430	65,032
Legal, professional, bank charges	660	54,476	28,194
Total	31,960	529,596	494,441

Governance costs:

	2021		
	Cost of generating voluntary income £	School £	Supported accommodation £
Staff costs	778	3,891	10,118
Auditors' remuneration	432	2,162	5,620
Other costs	161	802	2,086
Total	1,371	6,855	17,824

	2021		2020
	Workmates £	Total activities £	Total activities £
Staff costs	778	15,565	15,033
Auditors' remuneration	432	8,646	7,933
Other costs	161	3,210	3,766
Total	1,371	27,421	26,732

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

11 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration (net of VAT)	7,205	6,610
Depreciation – owned assets	242,603	208,568

12 TRUSTEES' REMUNERATION AND BENEFITS

The trustees give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Where a trustee has received payment in relation to consultancy work delivered to the charity, as distinct from performing the role of a trustee, disclosure is made of these payments within the Related Party Disclosures, see note 21.

Trustees' expenses

No expenses were paid to trustees in the year (2019/20: £nil).

Total trustees' expenses waived during the year in relation to 12 trustees were £nil (2019/20: 9 trustees waived expenses totalling £990).

13 STAFF COSTS

	2021	2020
	£	£
Wages and salaries	5,562,394	4,828,447
Social security costs	462,059	390,769
Other pension costs	212,901	169,964
Total	6,237,354	5,389,180

In 2020/21 in addition to the trustees, three employment posts were deemed to be key management. The total employee benefits of these key management personnel in the year, including employer's national insurance costs, were £242,211 (2019/20: £228,535).

The average monthly number of employees during the year was as follows:

	2021	2020
Average number by headcount	239	199

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

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

14 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	2020		
	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,373,374	69,951	1,443,325
Charitable activities:			
- School	616,725	-	616,725
- Supported accommodation	4,289,836	-	4,289,836
- Workmates	332,415	-	332,415
Other trading activities	4,282	-	4,282
Investment income	130,308	-	130,308
Total	6,746,940	69,951	6,816,891
EXPENDITURE ON			
Raising funds	63,204	-	63,204
Charitable activities			
- School	1,642,017	29,354	1,671,371
- Supported accommodation	4,359,383	3,240	4,362,623
- Workmates	327,800	989	328,789
Total	6,392,404	33,583	6,425,987
NET INCOME/(EXPENDITURE)	354,536	36,368	390,904
Gains/(losses) on investments	(606,965)	-	(606,965)
Net Income/(Expenditure) after gains or losses before transfers	(252,429)	36,368	(216,061)
Transfers between funds	48,296	(48,296)	-
Net movement in funds	(204,133)	(11,928)	(216,061)
RECONCILIATION OF FUNDS			
Total funds brought forward	13,835,840	45,763	13,881,603
TOTAL FUNDS CARRIED FORWARD	13,631,707	33,835	13,665,542

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

15 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Motor vehicles £	Total £
COST				
At 1 April 2020	8,468,728	464,330	88,782	9,021,840
Additions	222,775	36,505		259,280
At 31 March 2021	8,691,503	500,835	88,782	9,281,120
DEPRECIATION				
At 1 April 2020	1,545,105	232,432	44,481	1,822,018
Charge for year	172,305	60,999	9,299	242,603
At 31 March 2021	1,717,410	293,431	53,780	2,064,621
NET BOOK VALUE				
At 31 March 2021	6,974,093	207,404	35,002	7,216,499
At 31 March 2020	6,923,623	231,898	44,301	7,199,822

16 CAPITAL COMMITMENTS

As at 31 March 2021, East Park had no significant capital commitments for contracts awarded (2019/20 £111,820).

17 INVESTMENTS

	2021 £	2020 £
Opening Market Value	4,123,098	3,631,666
Additions	742,978	1,192,207
Disposal proceeds	(686,394)	(93,810)
Realised gains/(losses)	108,468	(47,925)
Unrealised gains/(losses)	795,122	(555,040)
Market Value at 31 March 2021	5,083,272	4,123,098

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

18 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Local authority fee debtors	220,500	354,459
Other debtors and prepayments	68,251	50,240
Accrued income	20,574	136,489
Total Debtors	309,325	541,188

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	73,781	54,377
Social security and other taxes	640	-
Other creditors and accruals	210,280	116,085
	284,701	170,462

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

20 MOVEMENT IN FUNDS

	At 1/4/20	Net movement in funds	Transfers between funds	At 31/3/21
	£	£	£	£
Unrestricted funds				
General fund	6,431,885	759,882	7,723	7,199,490
Tangible fixed assets	7,199,822	-	16,677	7,216,499
Total	13,631,707	759,882	24,400	14,415,989
Restricted funds				
Workmates fund	2,762	(180)	-	2,582
Sensory Integration	14,603	(2,834)	-	11,769
GLOW grant	7,047	(7,047)	-	0
Scottish Government minor capital		24,400	(24,400)	-
Pupil Equity Fund/Attainment challenge	3,475	(2,503)	-	972
Kiltwalk School	2,361	(1,609)	-	752
Isabella Memorial Trust	827	(745)	-	82
Food for Thought	960	(307)	-	653
Mary Andrew Charitable Trust	1,000	(1,000)	-	0
A O'Hara - Singing Hands	800	200	-	1,000
Tesco Groundworks	-	933	-	933
Alchemy foundation	-	-	-	0
Movember donation	-	492	-	492
Mugdock Trust	-	1,000	-	1,000
Bailey Thomson ipads	-	200	-	200
Adamson Trust	-	500	-	500
Total	33,835	11,500	(24,400)	20,935
TOTAL FUNDS	13,665,542	771,382	-	14,436,924

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

20 MOVEMENT IN FUNDS (continued)

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended (incl investment losses) £	Movement in funds £
Unrestricted funds			
General fund	8,104,708	(7,344,826)	759,882
Total	8,104,708	(7,344,826)	759,882
Restricted funds			
Workmates fund	120	(300)	(180)
Sensory Integration	-	(2,834)	(2,834)
GLOW grant	-	(7,047)	(7,047)
Scottish Government minor capital	24,400	-	24,400
Pupil Equity/Fund/Attainment challenge	9,398	(11,901)	(2,503)
Kiltwalk - school	-	(1,609)	(1,609)
Isabella Memorial Trust	-	(745)	(745)
Food for Thought	-	(307)	(307)
Mary Andrew Charitable Trust	-	(1,000)	(1,000)
A O'Hara Singing Hands	200	-	200
Tesco groundworks	933	-	933
Alchemy Foundation	250	(250)	-
Movember donation	2,417	(1,925)	492
Mugdock Trust	1,000	-	1,000
Bailey Thomson ipads	3,690	(3,490)	200
Adamson Trust	500	-	500
Total	42,908	(31,408)	11,500
TOTAL FUNDS	8,147,616	(7,376,234)	771,382

Unrestricted funds

The unrestricted funds are available to be spent for any of the purposes of the charity.

The approved Reserves policy sets reserves at approximately 9 months of the operational budget. This is updated annually following the audit of our financial statements, and updated designations and reserves will be approved at that time. The General Fund balance at 31 March 2021 is £7,199,490. Based on our operational budget of £7,415,000 for 2021/22, it is estimated that our reserves will be around £5,561,000 to remain within the 9 months limit set. This would leave a balance of £1,638,490 as designated funds to meet planned improvements across the East Park estate, and for service development and expansion.

The tangible fixed asset designated funds represents the monies expended on the development of the new school, residential accommodation and respite facilities, as well as fixtures and fittings and motor vehicles, and equals the net book value of these assets, as shown in note 15.

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

20 MOVEMENT IN FUNDS (continued)

Restricted funds

Restricted funds are comprised of:

The Workmates fund contains monies raised towards funding additional projects run by the Workmates services.

Sensory Integration is restricted for sensory equipment and specific staff training. There was some expenditure in 2020/21, however, plans were curtailed in 2020/21 due to COVID-19 and as such these will continue into 2021/22.

The GLOW grant is monies received from the Scottish Government for the GLOW National Schools Intranet, linking Scotland's 800,000 educators and pupils. This funding supports East Park School's IT to assist with this. This has been fully utilised.

The Scottish Government minor capital grant is restricted to fund minor capital replacements, as noted in transfers below.

The Pupil Equity Fund is grant funding from the Scottish Government to improve attainment in education. It is targeted on different projects annually, and these are approved by the Scottish Government. Funds cover the academic year, so balance will be carried forward to continue projects into 2021/22.

The School team raised funds from the Kiltwalk, with funds being restricted to spending on specific outdoor activities.

A donation was received from the Isabella Memorial Trust towards the funding of sensory and relaxation facilities within the school environment.

Food for Thought funding is restricted for food preparation, tastings and experiences. Projects were curtailed in 2020/21 due to COVID-19 and so these will continue into 2021/22.

Mary Andrew Charitable Trust donated funds to assist with vehicle costs at East Park, and these funds were applied in 2020/21 for this purpose.

Funds were donated by A O'Hara (former Trustee) towards the cost of Singing Hands. This event had been provisionally booked for October 2020, however has been delayed into 2021/22 as a result of COVID-19.

Funds received from Tesco were used to support the purchase of adapted bicycles in 2020/21.

Funds received from The Alchemy Foundation were used to support an adapted swing in the school garden in 2020/21.

Donations were received from a Movember fundraising campaign, and the funds will be used to support adapted bicycles and an adapted swing for the school garden.

Funds were received from Mugdock Trust and will be used to support the purchase of adapted bicycles.

Funds were received from Bailey Thomson to support the purchase of ipads for our young people.

Funds were received from The Adamson Trust to support a residential holiday for our young people.

Transfers between funds

Where donor conditions have been fully met restricted fund balances were transferred to unrestricted funds at the year end. A transfer of £24,400 was made in the year ended 31 March 2021 as a result of capital expenditure incurred.

Transfers had been made within unrestricted funds between the General fund and the designated funds in line with the trustees' designations.

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

20 MOVEMENT IN FUNDS (continued)

COMPARATIVES FOR THE MOVEMENT IN FUNDS – 2019/20

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 1/4/20 £
Unrestricted funds				
General fund	6,624,157	(252,429)	60,157	6,431,885
Tangible fixed assets	7,211,683	-	(11,861)	7,199,822
	13,835,840	(252,429)	48,296	13,631,707
Restricted funds				
Workmates fund	3,258	(496)	-	2,762
Holiday fund	1,368	(1,368)	-	0
Miss Dawson expressive arts	635	(635)	-	0
Sensory Integration	14,639	(36)	-	14,603
GLOW grant	15,377	(8,330)	-	7,047
Scottish Government minor capital	-	24,400	(24,400)	0
Pupil Equity Fund/Attainment	7,699	(4,224)	-	3,475
Kiltwalk funds school	64	2,297	-	2,361
W Mann Foundation	1,250	(1,250)	-	0
Isabella Memorial Trust	1,346	(519)	-	827
School fundraising activities	127	(127)	-	0
Food for Thought	-	960	-	960
Santander donation	-	-	-	0
Cash for kids	-	-	-	0
Mary Andrew Charitable Trust	-	1,000	-	1,000
Singing Hands (A O'Hara)	-	800	-	800
Spifox vehicle	-	23,896	(23,896)	0
	45,763	36,368	(48,296)	33,835
TOTAL FUNDS	13,881,603	(216,061)	-	13,665,542

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

20 MOVEMENT IN FUNDS (continued)

Net movement in funds included in the above are as follows:

	Incoming Resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,746,940	(6,999,369)	(252,429)
	<u>6,746,940</u>	<u>(6,999,369)</u>	<u>(252,429)</u>
Restricted funds			
Workmates fund	493	(989)	(496)
Holiday fund	-	(1,368)	(1,368)
Miss Dawson expressive arts	-	(635)	(635)
Sensory Integration	-	(36)	(36)
GLOW grant	-	(8,330)	(8,330)
Scottish Government minor capital	24,400	-	24,400
Pupil Equity Fund/Attainment	12,960	(17,184)	(4,224)
Kiltwalk - school	3,258	(961)	2,297
W Mann Foundation	-	(1,250)	(1,250)
Isabella Memorial Trust	-	(519)	(519)
School fundraising activities	-	(127)	(127)
Food for Thought	2,030	(1,070)	960
Santander donation	586	(586)	0
Cash for Kids	528	(528)	0
Mary Andrew Charitable Trust	1,000	-	1,000
A O'Hara Singing Hands	800	-	800
Spifox Vehicle	23,896	-	23,896
	<u>69,951</u>	<u>(33,583)</u>	<u>36,368</u>
TOTAL FUNDS	6,816,891	(7,032,952)	(216,061)

The Big Lottery grant funding was used to fund new build educational and residential accommodation. A standard security over the land and buildings at the East Park site on Maryhill Road has been granted to the Big Lottery Fund in line with their grant conditions.

Comparatives for analysis of net assets between funds:

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	11,322,920	-	11,322,920
Current assets	2,479,249	33,835	2,513,084
Current liabilities	(170,462)	-	(170,462)
Net Assets	13,631,707	33,835	13,665,542

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

21 RELATED PARTY DISCLOSURES

No payments were made to Trustees in the year ended 31 March 2021 (2019/20 :£2,250).

Donations from trustees in the year totalled £360 (2019/20 £830).