

OPEN COLLEGE NETWORK LONDON REGION

England & Wales · Charity number 1034750

Details

Other names	LONDON OPEN COLLEGE FEDERATION, LONDON OPEN COLLEGE NETWORK, OPEN COLLEGE NETWORK LONDON REGION, OCNLR
Status	Registered
Legal form	Charitable company
Company number	02876147
Registered	1994-03-10
Register	View on the Charity Commission register

Contact

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Website	www.ocnlondon.org.uk

Activities

Objects: The Objects of the Charity are the advancement of the education of the public in one or more of the following ways(a) by promoting lifelong learning, increasing social inclusion through educational advancement and widening participation in education and training, particularly by those persons who have previously been excluded from or had limited access to educational opportunities;(b) by improving the quality and flexibility of education provision for the public benefit;(c) by improving access to learning opportunities and facilitating progression to further learning, employment and higher education particularly through the award of credits and credit-based qualifications;(d) by operating as an Access Validating Agency for the Quality Assurance Agency for Higher Education or the appropriate agency acting on behalf of the Department for Education or its successor;(e) by operating as an Ofqual-approved awarding organisation and complying with the regulatory requirements for the development, delivery and assessment of national qualifications;(f) by operating with full commitment to the distinctive mission of Access to Higher Education by widening participation and recognising the achievements of young people and adults through high quality, responsive and flexible accreditation;(g) by approving Access to Higher Education courses and awarding Quality Assurance Agency-recognised Access to Higher Education certificates to students;(h) by encouraging and assisting organisations to provide a wider range of accredited and quality assured learning opportunities;(i) by operating as a proactive, innovative and responsive organisation with respect to curriculum development;(j) by supporting public policy agendas for raising educational standards, improving levels of achievement, widening participation and promoting new opportunities for community involvement;(k) by providing a personalised quality assured service to users that is cost efficient and takes account of competition from other awarding organisations;(l) by providing a network with expertise and intelligence of the external environment within which the Charity operates in order to provide staff development, information, guidance and networking to stakeholder organisations in all sectors; and(m) by operating a high quality, efficient organisation with a commitment to continuous improvement offering all aspects of the service within a quality assured and transparent framework.

Activities: Supports learning and widening participation through offering qualifications and accreditation for courses for adults and young people.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED, BUT IN PRACTICE, LONDON
- Greece
- Kosovo
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,106,401	£1,903,055	£1,113,685	21
2024-07-31	£1,940,291	£1,938,255	£910,339	25
2023-07-31	£1,747,746	£1,682,700	£908,297	25
2022-09-30	£1,848,309	£1,700,730	£843,251	24
2021-09-30	£1,657,577	£1,469,435	£695,677	21

Trustees

Name	Role	Appointed
James Jonathan Stockdale	Chair	2025-09-25
Alison May		2024-02-13
Ann-Marie Soyinka		2024-02-13
Charles Louis Tennant		2024-02-13
Christopher Rossiter		2026-04-23
David Neil Crapnell		2026-04-23
Gianina Harvey-Brewin		2026-04-23
Kate Elizabeth Holt		2022-12-08
Natalie Mai Garner		2022-12-08
Natasha Vanessa Johnson		2026-04-23
Varinder Paul Singh Ghuman		2022-12-08

OPEN COLLEGE NETWORK LONDON REGION

England & Wales - Charity number 1034750

Accounts



Open College Network London Region

Report and financial
statements
For the year ended
31 July 2025

ocnlondon.org.uk

Contents

For the year ended 31 July 2025

Reference and administrative information	1
Trustees' annual report	2
Independent auditors report	13
Statement of financial activities (incorporating an income and expenditure account)	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20

Reference and administrative information

Company number	2876147
Charity number	1034750
Registered office and operational address	70 Gracechurch Street, London, EC3V 0HR
Country of registration	England
Country of incorporation	United Kingdom

The company trades under the name OCN London.

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

J. Stockdale	Chair (Appointed 25 September 2025)
K. Hintz	Chair (Resigned 25 September 2025)
L. Arnold-Courtney	
J. Farmer	
N. Garner	
P. Ghuman	
K. Holt	
A. May	
A. Soyinka	
C. Tennant	

Key management personnel

Carlos Cubillo-Barsi	Chief Executive
Paul Browning	Deputy Chief Executive (position phased out during strategic restructure April 2025)

Bankers

National Westminster Bank Plc
166 Camden High Street, London, NW1 0NW

Solicitors

Grays Solicitors
Duncombe Place, York, YO1 7DY

Auditors

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane, London, EC1Y 0TG

Trustees Annual Report

For the year ended 31 July 2025

The trustees present their report and the audited financial statements for the year ended 31 July 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose and aims

The charity is a company limited by guarantee and is constituted under its Articles of Association. The Memorandum and Articles of Association were revised, and a new combined Articles of Association was adopted by special resolution on 20 March 2023. Its registered charity number is 1034750 and its registered company number is 2876147. The charity trades under the name OCN London.

Open College Network London Region (OCNLR) is an awarding organisation (AO) approved by the Office of Qualifications and Examinations Regulation (OFQUAL) to offer national qualifications. As an Access Validating Agency (AVA), OCNLR is licensed by the Quality Assurance Agency for Higher Education (QAA) to validate and award certificates on QAA-recognised Access to Higher Education Diplomas. The Board of Trustees is ultimately responsible for the operation of both licenses.

None of the trustees receive remuneration or other benefit from their work with the charity.

Trustees Annual Report

For the year ended 31 July 2025

Objectives and activities

OCNLR exists to support learning and widen participation through achievement of credit-based qualifications, regulated and unregulated. OCNLR aims are the advancement of the education of the public in one or more of the following ways:

- By promoting and increasing participation in education and training, particularly by those persons who have benefited least from existing provision.
- By being an open and inclusive organisation, where diversity is promoted, and discrimination eliminated. Our commitment is to continue to ensure that our services meet the needs of all our diverse customers. It ensures that equality, diversity, and human rights are integrated into the way we plan, develop, and deliver our services, covering our internal functions as an employer and our external operations as a provider of qualifications and accreditation services.
- By improving the quality and flexibility of education provision for the public benefit, primarily for educationally disadvantaged persons.
- By facilitating progression for learners by enabling them to achieve Open College Network (OCN) credits and to accumulate and, where appropriate, to transfer these towards a qualification.
- By improving access to higher education by carrying on and conducting the work of the accreditation system in London and elsewhere and conducting the work of Open College Network London Region as an AVA under license from the Quality Assurance Agency for Higher Education (QAA).
- By improving recognition of education qualifications by issuing nationally recognised Access to HE Diplomas and credits for learner achievement to be awarded independently of the providing organisations.

Public benefit

In setting its objectives for the year, the Board of Trustees has regard to both the Charity Commission's general guidance on public benefit and the mission of OCNLR that supports education for learners who have benefitted least from existing provision and can be encouraged to progress to achieve their potential. The activities currently carried out for the public benefit by the charity can be broadly categorised into the following areas:

- Development of products and services for organisations to use for educational, training and assessment purposes.
- Registration and certification of learners.
- Support for customers to confirm centre approval and the offer of coherent curriculum provision with quality assured confirmation of the achievement of credit.
- Retention of licenses to ensure continuity of the operation on behalf of customer organisations.

Trustees Annual Report

For the year ended 31 July 2025

The majority of centres are not-for-profit organisations, delivering education and training for adults. Many of them target the educationally disadvantaged which is critical to supporting OCNLR to achieve its aims. A significant number of centres, namely those in the traditional further and adult education sectors, are eligible to access public funding via the Department for Education (DfE), the Greater London Authority (GLA) and the other Mayoral Combined Authorities (MCAs) for their delivery of our qualifications.

The outcomes of these activities for 2024/25 are identified in the following sections.

The trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on education and are undertaken to further OCNLR's charitable purposes for the public benefit.

OCNLR acts to accredit courses and develop regulated qualifications in partnership with its centres, register learners on those courses and qualifications, confirm the learners' achievement of credits and qualifications through an external quality assurance process and then to certificate those achievements. In many cases these certificates are the first tangible evidence of learning and achievement those learners will have received.

OCNLR is not directly involved with the delivery of learning; it acts to formally recognise a centre's fitness to provide quality assured learning programmes that may consist of its qualifications (regulated) or accredited courses (unregulated). In each case OCNLR is concerned with confirming that the offer is appropriate and coherent at the curriculum planning stage and then is quality assured to ensure comparability of standards and to safeguard the learner experience.

Our aims are pursued beyond the core functions of the organisation where we seek to foster an understanding and an expansion of the benefits of accreditation.

Trustees Annual Report

For the year ended 31 July 2025

In 2024-25, learner registrations on our national regulated qualifications increased by almost 4,000 on the previous year. This was partly due to an increased interest from new and existing centres in our qualification offer. There was also a welcome upturn in registrations onto Access to HE courses compared to 2023-24. Digital Badges and microcredentials proved themselves to be a popular product line with over 5,000 issued.

The maximum number of organisations registered with OCNLR throughout the reporting period was 356. There were 53 new centres approved in 2023-24, including large further education colleges, and a small number of resignations over the year.

Our most popular qualification was the Level 1 Award in Understanding Safeguarding in a Learning Environment followed by the Entry 3 Award in Prevent Duty Awareness. The Progression qualifications still remain popular after so many years.

Achievements against 2024-25 strategic priorities:

- Met all the strategic aims of the 2022-25 strategic plan
- Awarded the City of London Gold Award at the London Chamber of Commerce and Industry (LCCI) SME London Business Awards 2025.
- Gained Ofqual approval to provide apprenticeship end point assessment services for the newly introduced foundation apprenticeships.
- Member of the City of London Corporation Taskforce supporting women into digital careers and sponsored the LCCI's Women into Business programme.
- Improving the customer journey by establishing a single 'gateway' to becoming an approved centre and establishing a new, consistent centre agreement.
- Providing a 'core' offer to all approved centres, which include approval for OCN London Endorsed and the free use of fifty digital badges.
- Established an Access Advisory Group to ensure that OCN London hears the voice of our Access to HE centres and partner universities and higher education institutions.
- Introduced 'Assured' status for high quality centres, resulting in a lighter touch external verification process.
- Undertook an internal restructure to ensure that the organisation is best placed to deliver our new aims and objectives.
- Partnered with UK Hospitality Ltd and employers to develop a hospitality skills passport, providing learners with a verifiable credential that they have the knowledge and skills required to enter access the hospitality industry.
- Signed a memorandum of understanding with the Royal College of Nursing.
- Became active members of the Essex Chamber of Commerce and the Essex Provider Network.
- Established a new strategic plan for 2025-30.

Trustees Annual Report

For the year ended 31 July 2025

- Working with the City of London Corporation on the Women Into Digital Taskforce.
- Worked with the Digital Policy Alliance (DPA) and other digital sector stakeholders to inform digital skills policy development in conjunction with relevant All Party Parliamentary Groups (APPGs).
- Issued our 10,000th microcredential since the product's launch in November 2023.
- Awarded bursaries to two Access to HE Diploma learners for outstanding academic achievement and a further two for outstanding commitment to study.
- Retained Cyber Essentials Plus accreditation demonstrating that OCNLR has enhanced levels of cybersecurity protection.

Beneficiaries of our services

Learner registration and certification

In 2024-25 OCNLR received over 43,000 learner registrations, representing an increase of 11% on the previous year. Learner demographics were as follows: 53% female, 46% male and 1% not specified; 41% were of a Black and Minority Ethnic background; 31% were 19 years old or younger; and 37% of learners resident in the top 25% of socioeconomically deprived wards.

There were 2,203 learners registered on Access to HE courses in 2024-25 of which 1,645 achieved the full Diploma (75%). Results were submitted to UCAS by the July deadline for all learners, except for those who had appealed.

Sponsorship

In 2025, OCN London proudly supported a wide range of colleges and community events through sponsorships that celebrated learner achievement and inclusion. We were the Gold Sponsor of the Capital City College Student Excellence Awards and supported the Croydon College Access Awards, both in June. We also sponsored the Shooters Hill VI Form College Student Awards that month. In July, we acted as Silver Sponsor of the Morley College Awards and contributed to the Oaklands College Festival of Achievement, recognising ESOL learners and adults. Earlier in the year, we sponsored the Redbridge Institute of Adult Education Ofsted Open Event, and we also supported Barking & Dagenham College's Racing for Hope initiative. These partnerships highlight our ongoing commitment to recognising success and promoting educational opportunity across London and beyond.

Trustees Annual Report

For the year ended 31 July 2025

As part of its continuing commitment to adult learners, OCN London joined with all Access Validating Agencies in sponsoring the annual Keith Fletcher Awards for Access to HE learners, which were presented in a ceremony at the Palace of Westminster in April. Earlier, in February, our own Michael Sargent Bursary Awards were again awarded to four Access to HE Diploma learners in recognition of their outstanding academic achievement and outstanding commitment to study.

For the first time in five years, we were able to hold an in-person ceremony for the learners to receive their awards, accompanied by their teachers and guests. Hearing directly from these learners about the challenges they had overcome was – and is always – one of our most rewarding experiences.

Financial review

OCNLR in 2024/25 reported a £203,346 surplus (23/24 £2,036 surplus) on a turnover of £2.1m (23/24 £1.9m). Unrestricted reserves increased by £203k to £1.1m (23/24 £901k).

The principal sources of income remained consistent with the prior year, comprising registration and certification of learners on qualifications developed by the charity, accredited courses, and annual fees charged to approved centres delivering these qualifications. Income from charitable activities increased by 12% to £2m (2024: £1.87m), primarily due to a 9.7% rise in accreditations and registration income to £1.69m. This increase reflects the rise in both centre and registrations activity in the financial year.

Principal risk and uncertainties

The Board of Trustees takes responsibility for managing risk. They assess the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that appropriate systems and procedures are in place to mitigate those risks.

OCN London continues to face uncertainty stemming from shifts in government priorities around skills and education, particularly due to the delayed Assessment and Curriculum Review and pending recommendations from Skills England. While these developments could affect the organisation's regulated qualification portfolio, the risk is moderated by OCN London's expanded remit as an Assessment Organisation and its growth in alternative accreditation areas such as micro-credentials, digital badges, and sector-specific initiatives like the UK Hospitality Passport. The Board of Trustees and executive team maintain close engagement with policymakers and sector bodies to anticipate and mitigate potential impacts.

Trustees Annual Report

For the year ended 31 July 2025

At the same time, broader economic pressures and reduced adult skills funding continue to influence learner participation, particularly in longer qualifications such as Access to HE Diplomas. However, registration levels are showing signs of stabilisation, supported by steady demand in essential fields like health and social care. OCN London actively monitors learner trends, works closely with centres, and has strengthened its marketing and product diversification strategies to maintain resilience and reach new audiences.

Reserves policy and going concern

The Board of Trustees has considered the requirement for the Charity to maintain an appropriate level of free reserves. They feel it is prudent to adopt a risk-based approach when considering the minimum level of reserves to retain.

The Trustees have considered the level of free reserves required to cover the following risks:

- Robustness of current income streams
- Failure to achieve agreed delivery or performance targets
- Lack of compliance with regulatory requirements

Free reserves are deemed to be those not invested into Fixed Assets. The Trustees' baseline is to keep this at a minimum of £500k. Level of free reserves held as at 31 July 2025 was £1.04m (2024: £733k).

The money held by OCNLR in reserves is invested prudently with a UK high street bank and Caf Cash.

Remuneration policy

OCNLR is committed to ensuring a proper balance between (i) paying our staff and others who work for us fairly so that we attract and retain the best people for the job and (ii) careful management of our charity funds. In so doing we ensure the greatest effectiveness in delivering our charitable objectives and meeting the needs of our beneficiaries. Salaries for all posts comprise a band made up of a series of evenly distributed salary points. All staff are entitled to receive a contribution towards either the Teachers' Pension, the Local Government Pension Scheme, or the National Employment Savings Trust (NEST) pension scheme.

In June each year, the trustees determine whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st August, to reflect changes in the cost of living.

Trustees Annual Report

For the year ended 31 July 2025

The trustees' considerations begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They then determine whether this is appropriate in the context of:

- (i) the charity's financial situation;
- (ii) the charity's performance;
- (iii) cost of living adjustments made in recent years;
- (iv) pay reviews elsewhere in the sector.

Cost of living adjustments are applied equally to all staff.

For OCNLR to run successfully, a wide range of skills are required, and it is important to pay staff appropriately to ensure that we can recruit people with the right skills. Retention of staff is also important so as to benefit from their accumulated knowledge and skills in what is a niche sector. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. OCNLR staff pay scales are set with this in mind.

Fundraising

OCNLR does not engage in public fundraising and does not use professional fundraisers or commercial participators. OCNLR nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance with these regulations and codes and OCNLR received no complaints relating to its fundraising practice.

Plans for the future

During 2024-25 OCNLR continued to develop new products, such as end point apprenticeship assessments in the creative sector and foundation apprentices, and was also able to embed previous developments such as microcredentials and online Access to HE Diplomas. Registrations onto our Access to HE Diplomas rallied compared to previous years and our regulated qualifications continued to perform strongly. All of this, coupled with a strong financial performance, means that the financial outlook for OCNLR in 2025-26 is positive.

The financial year 2024-25 also heralded the end of our 2022-25 strategic plan where, thanks to the support of OCNLR's Board of Trustees and the executive team, all objectives were met. The new strategic plan for 2025-30 is now in place, serving as both a commitment and a call to action.

The new strategic plan signals our determination to align with wider strategic ambitions such as

Trustees Annual Report

For the year ended 31 July 2025

the London Growth Plan, the UK's Industrial Strategy, and the evolving priorities set out by Skills England. At the heart of our efforts lies a belief in lifelong learning as a public good and a driver of regional prosperity.

By 2030, OCN London will be recognised as a leader in inclusive, innovative, and employer-focused qualifications, reaching more learners from disadvantaged backgrounds and driving social mobility.

The successful delivery of our new strategic objectives will create a demonstrable impact on the skills and qualifications landscape. Our centres will be known for delivering high-quality, flexible, and inclusive learning that directly responds to London's growth sectors and the wider national skills agenda.

Structure, governance and management

At the September 2025 Board meeting the Chair of the Board stepped down from this role where, a new Chair was appointed by Trustees from among their number.

OCNLR has the following sub-committees:

- a Quality & Standards committee (QSC) with a remit to advise and report to the Board of Trustees and the Chief Executive on all aspects of the quality of OCNLR's services, including how they relate to OCNLR's wider strategic imperatives. The Quality and Standards Committee also oversees issues relating to regulatory compliance and collaboration agreements and considers strategic issues relating to Access to HE Diplomas, national qualifications and other OCN London provision.
- a Finance and General Purposes committee (F&GP) with a remit to advise the CEO and report to the Board of Trustees on all matters relating to financial policy and the financial arrangements, policies and arrangements for general resourcing, and on all matters relating to the staffing resources of OCNLR.
- a Strategy Development and Engagement Committee (SDEC), which advises the Chief Executive and reports to the Board of Trustees on all matters relating to OCN London's strategic, external facing activities. In particular, the committee advises on business development opportunities through stakeholder engagement; the effectiveness of the customer journey; and the impact that OCN London has on the communities it serves.

OCNLR employs a full-time CEO, who is responsible for the day-to-day management of the organisation. Staffing matters are delegated to the CEO subject to the guidance of the Board of Trustees. The Board of Trustees delegates some responsibilities to the Quality and Standards Committee and the F&GP but retains overall responsibility for all strategic issues and regulatory licenses. The Chair of the Board is responsible for monitoring and reviewing the performance of the Chief Executive.

Trustees Annual Report For the year ended 31 July 2025

The organisation is a charitable company limited by guarantee, incorporated on 19 November 1993 and registered as a charity on 10 March 1994.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

Related parties and relationships with other organisations

OCNLR continues to work in an informal partnership with Laser Learning Awards in line with our shared mission, values and aims. The objective of the collaboration is to extend the range of qualifications available to its beneficiaries, share new developments that will benefit beneficiaries and share good practice in assessment and quality assurance to enhance the learning experience for beneficiaries. The CEO and other officers also have positive relationships with their counterparts at other awarding organisations who share a common heritage and values with OCNLR.

OCNLR continues to develop partnerships and formal arrangements with key industry bodies and stakeholders, such as the Royal College of Nursing; UK Hospitality Ltd; the Digital Policy Alliance; the London Chamber of Commerce and Industry; Linking London; future.now; Essex Chambers of Commerce; and the Essex Provider Network. OCNLR have also worked closely with the City of London Corporation, supporting project and initiatives such as Women into Digital, Cybersecurity Talent and the Hospitality Employers Forum; and with London sub-regional organisations, being active contributors to London's Local Skills Improvement Plan (LSIP).

Statement of responsibilities of the trustees

The trustees (who are also directors of OCNLR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees Annual Report

For the year ended 31 July 2025

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs 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 these 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 auditor is unaware.
- 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 1 August 2024 was 11 and as at 31 July 2025 was 11. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.


Trustees Annual Report

For the year ended 31 July 2025

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to operate in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. Approved by the trustees on 11 December 2025 and signed on their behalf by


James Stockdale (Dec 15, 2025 14:22:55 GMT)

James Stockdale

Chair of OCNLR Board of Trustees

Independent auditor's report

For the year ended 31 July 2025

Opinion

We have audited the financial statements of Open College Network London Region (the 'charitable company') for the year ended 31 July 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 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 Open College Network London Region'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.

Independent auditor's report

For the year ended 31 July 2025

Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 trustees' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate 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
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

For the year ended 31 July 2025

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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.

Auditor's 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 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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

For the year ended 31 July 2025

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We reviewed any reports made to regulators
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 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 those matters we are required to state to them in an auditor's 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.

Joanna Pittman FCA (Senior statutory auditor)

DATE

For and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 110 Golden Lane, London, EC1Y 0TG

Statement of financial activities (incorporating an income and expenditure account)

		2025 £	2024 £
Income from:	Note		
Charitable activities	2	2,091,890	1,866,952
Other trading activities		4,140	70,961
Interest receivable		10,371	2,378
Total income		2,106,401	1,940,291
Expenditure on:			
Charitable activities	3	1,903,055	1,938,255
Total expenditure		1,903,055	1,938,255
Net income for the year		203,346	2,036
Reconciliation of funds:			
Total funds brought forward		910,339	908,303
Total funds carried forward		1,113,685	910,339

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure is unrestricted.

Open College Network London Region
Balance Sheet
As at 31st July 2025


Company no. 2876147

	Notes	£	2025 £	£	2024 £
Fixed Assets	9				
Intangible assets			42,044		60,353
Tangible assets			23,975		116,247
			66,019		176,600
Current Assets					
Debtors	10	236,704		239,658	
Short term deposits		300,000		250,000	
Cash at bank and in hand		740,768		479,224	
		1,277,472		968,882	
Creditors: amounts falling due within one year	11	(228,769)		(198,863)	
Net assets/liabilities			1,048,703		770,019
Total assets less current liabilities			1,114,722		946,619
Creditors: amounts falling after more than one year	11	(1,037)		(36,280)	
Total net assets			1,113,685		910,339
The funds of the Charity	12				
Unrestricted funds			1,113,685		910,339
Total charity funds			1,113,685		910,339

Approved by the trustees on 11 December 2025 and signed on their behalf by:


 James Stockdale (Dec 15, 2025 14:22:55 GMT)

James Stockdale
 Trustee


 Lucy Arnold-Courtney (Dec 16, 2025 09:47:29 GMT)

Lucy Arnold-Courtney
 Trustee

Statement of cash flows

For the year ended 31 July 2025

	2025	2024
	£	£
Net income for the reporting periods (as per the statement of financial activities)	203,346	2,036
Adjustments for:		
Depreciation of tangible fixed assets	63,544	63,170
Amortisation of intangible fixed assets	29,408	14,747
Impairment of tangible fixed assets	32,574	-
Interest and other trading income	(10,371)	(2,378)
Changes in:		
Decrease in Trade and other debtors	2,954	14,111
Increase in Trade and other creditors	(5,336)	(99,542)
Net cash flow from operating activities	316,119	(7,856)
Cash flows from investing activities:		
Interest and other trading income	10,371	2,378
Purchase of tangible fixed assets	(14,946)	(87,436)
Net cash flow from investing activities	(4,575)	(85,058)
Net increase/(decrease) in cash	311,544	(92,914)
Cash and cash equivalents at the beginning of the year	729,224	822,138
Cash and cash equivalents at the end of the year	1,040,768	729,224
Cash and cash equivalents		
Short term deposits	300,000	250,000
Cash at bank and in hand	740,768	479,224
	1,040,768	729,224

Notes to the financial statements

For the year ended 31 July 2025

1 Accounting policies

a) Statutory information

Open College Network London Region is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) was 24 Angel Gate, City Road, London, EC1V 2PT to 27/10/2025, new address from 28/10/2025 is 70 Gracechurch Street London EC3V 0HR.

b) Basis of preparation

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.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Notes to the financial statements

For the year ended 31 July 2025

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of each activity is made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease. Under the 5-year lease agreement, the lessor gave a four month rent-free period. This has been charged on a straight line over the term of lease with a break clause of 3-years.

Notes to the financial statements

For the year ended 31 July 2025

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures & fittings 4 years
- Computer Equipment 3 years

l) Intangible fixed assets

Items of software are capitalised where the purchase price exceeds £500. Amortisation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The amortisation rate in use are as follows:

- Software 3 years

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

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

o) Pensions

Teacher's Pension Scheme (TPS)

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. There were no contributions payable to the TPS in 2025 (2024 £15,329).

The TPS is an unfunded multi-employer defined benefit pension scheme governed by the Teachers' Pension Scheme regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Notes to the financial statements

For the year ended 31 July 2025

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report of the TPS was prepared at 31 March 2020 and was published in October 2023. This report confirmed that the employer contribution rate for the TPS would increase from 22.8% to 28.6% although, recognising that teaching establishments work on an academic and not financial year, the Government deferred the implementation of this increase to April 2024. Employers in addition from October 2023 pay a scheme administration levy of 0.08% of pay and will be payable over the remainder of the period to March 2027 to ensure that the level of the notional fund at the next valuation of the scheme is expected to be unaffected by delay.

The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Local Government Pension Scheme (LGPS)

The LGPS is a multi-employer defined benefit scheme. It is contracted out of the State Second Pension. The assumption and other data that the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2022
Actuarial method	Prospective benefits
Discount rate	5.2%
Salary scale increases per annum	2.9%
Market value of assets at date of last valuation	£6,053m
Fund Surplus	£1.63bn
Funding Level	128%

The LGPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Total contributions to the scheme during the year were £30,654 (2024 £28,361). No additional payments have been required this year to cover the deficit funded (2024: Nil).

The National Employment Savings Trust (NEST)

The NEST pension scheme is a defined contribution workplace pension. The scheme was introduced for both new and existing employees during the 2024/25 financial year. Total contributions to the scheme during the year were £7,695.

Notes to the financial statements

For the year ended 31 July 2025

2 Income

	2025	2024
	£	£
Income from Charitable activities		
Accreditations and registration income	1,693,105	1,542,888
Unit Development income	30,083	28,526
Subscriptions	299,476	238,949
Other service income	69,226	56,589
	<u>2,091,890</u>	<u>1,866,952</u>
Income from trading activities		
Other income	4,140	70,961
Income from investments		
Interest receivable	10,371	2,378
Total	<u>2,106,401</u>	<u>1,940,291</u>

3 Expenditure

	Expenditure on charitable activities	Governance Costs	2025	Expenditure on charitable activities	Governance Costs	2024
	£	£	Total	£	£	Total
Staff costs (Note 5)	1,022,744	17,157	1,039,901	1,071,490	18,915	1,090,405
Moderators' fees	69,041		69,041	80,166		80,166
Subscriptions and publications	102,432		102,432	74,135		74,135
Rents, rates and insurance	108,434		108,434	101,934		101,934
Telephone, postage and stationery	56,379		56,379	58,956		58,956
Consultancy	149,705		149,705	249,005		249,005
Travel and subsistence	35,618	165	35,783	14,979	433	15,412
Sundry expenses	8,061		8,061	12,619		12,619
Depreciation	63,544		63,544	63,170		63,170
Amortisation	29,408		29,408	14,747		14,747
Impairment	32,574		32,574			
Repairs and maintenance	40,157		40,157	8,811		8,811
Staff training and recruitment	7,518		7,518	10,909		10,909
Computer management and maintenance	17,087		17,087	9,269		9,269
Legal and professional	2,331		2,331	33,732		33,732
Bank charges and interest	2,737		2,737	2,670		2,670
Publicity and marketing	36,890		36,890	24,386		24,386
Bad debt provision	12,000		12,000	0		0
External verification	69,894		69,894	72,338		72,338
Access Revalidation	1,880		1,880	2,990		2,990
Governance costs		17,300	17,300		12,600	12,600
	<u>1,868,433</u>	<u>34,622</u>	<u>1,903,055</u>	<u>11,906,307</u>	<u>31,948</u>	<u>1,938,255</u>
Governance costs	34,622	(34,622)	-	31,948	(31,948)	-
Total Resources Expended	<u>1,903,055</u>	<u>-</u>	<u>1,903,055</u>	<u>1,906,307</u>	<u>-</u>	<u>1,938,255</u>

Notes to the financial statements

For the year ended 31 July 2025

4 Net income is stated after charging:	2025	2024
	£	£
Depreciation of tangible fixed assets	63,544	63,170
Amortisation of intangible fixed assets	29,408	14,747
Impairment of tangible fixed assets	32,574	-
Payments for operating leases		
Property	101,268	112,270
Auditors' remuneration		:
for audit services	12,300	11,700
for non-audit services	1,450	1,375

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff and employee benefits for the period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	889,582	913,692
Social Security costs	93,886	92,688
Employer contributions to pension plans	38,349	43,784
Termination costs	18,084	40,240
	<hr/>	<hr/>
	1,039,901	1,090,405

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025	2024
£60,000-£69,999	1	1
£70,000-£79,999	-	-
£80,000-£89,999	-	1
£90,000-£99,999	1	-

Notes to the financial statements

For the year ended 31 July 2025

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £167,313 (2024: £173,778). The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil).

No charity trustee received payment for professional or other services supplied to the charity (2024: £nil). Trustees' expenses represent the payment or reimbursement of travel and subsistence costs for two Trustees totalling £165 (2024: £443 for 2 members).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 25 (2024: 25).

Staff are split across the activities of the charitable company as follows (head count basis:

	2025	2024
	No.	No.
Chief Executive Office	2	4
Administration	3	3
Finance	1	2
Information Technology	2	2
Curriculum group	7	7
Quality group	7	7
	21	25

7 Related party transactions

A number of trustees hold positions at member organisations which in the year have engaged with OCN London.

All transactions were on normal commercial terms and were made at arms-length.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For the year ended 31 July 2025

9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At the start of the year	183,995	56,958	240,953
Additions in year	-	3,846	3,846
Impairment	(172,808)	-	(172,808)
At the end of the year	11,187	60,804	71,991
Depreciation			
At the start of the year	94,297	30,409	124,706
Charge for the year	45,999	17,545	63,544
Impairment	(140,234)	-	(140,234)
At the end of the year	62	47,954	48,016
Net Book value			
At the end of the year	11,125	12,850	23,975
At the start of the year	89,698	26,549	116,247

In June 2025, OCN London exercised the break clause in its tenancy agreement. As of the year-end date, the organisation took a prudent approach by impairing the previously capitalised office improvement.

Intangible fixed assets

	Software £	Total £
COST		
At the start of the year	79,900	79,900
Additions in year	11,099	11,099
At the end of the year	90,999	90,999
Amortisation		
At the start of the year	19,547	19,547
Charge for the year	29,408	29,408
At the end of the year	48,956	48,956
Net Book value		
At the end of the year	42,044	42,044
At the start of the year	60,353	60,353

Notes to the financial statements

For the year ended 31 July 2025

10 Debtors

	2025	2024
	£	£
Trade debtors	199,570	206,005
Prepayments and accrued income	37,134	33,653
	236,704	239,658

11 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	55,871	83,082
Accruals and deferred income	144,897	85,587
Social security and other taxes	21,613	20,357
Other creditors	6,388	9,837
Total	228,769	198,863

Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals and deferred income	1,037	36,280

Within accruals and deferred income as at 31/07/2025 there is £58k which relates to deferred income (2024: £54k).

	2025	2024
	£	£
Balance brought forward	74,619	65,665
Amounts released from prior reporting period	(37,990)	(18,403)
Income deferred in the current year	20,922	7,227
Balance carried forward	57,551	54,489

Notes to the financial statements

For the year ended 31 July 2025

12 Operating lease commitments

The company is committed to make total future lease payments under operating leases as follows:

	2025	2024
	£	£
Premises		
Less than one year	28,816	57,631
One-five years	-	57,631

In June 2025 OCN London exercised its break clause on its tenancy for the lease at Unit 24 Angel Gate, City Road with a termination of the lease on 8 January 2026.

13 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.


B 25 31 OCN Annual report and financial statements -31 July 2025 Dec 2025 Final - 20251211_2

Final Audit Report


2025-12-16

Created:	2025-12-12
By:	Carlos Cubillo-Barsi (c.cubillo-barsi@ocnlondon.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAXjVIJKEMFx_jl9utew1pw-Qdl4AVWpo


"B 25 31 OCN Annual report and financial statements -31 July 2025 Dec 2025 Final - 20251211_2" History

 Document created by Carlos Cubillo-Barsi (c.cubillo-barsi@ocnlondon.org.uk)

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2025-12-15 - 2:21:28 PM GMT

 Document e-signed by James Stockdale (james.stockdale@icloud.com)

Signature Date: 2025-12-15 - 2:22:55 PM GMT - Time Source: server

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2025-12-16 - 9:39:03 AM GMT

 Document e-signed by Lucy Arnold-Courtney (l.arnold-courtney@bathspa.ac.uk)

Signature Date: 2025-12-16 - 9:47:29 AM GMT - Time Source: server

 Agreement completed.

2025-12-16 - 9:47:29 AM GMT

OPEN COLLEGE NETWORK LONDON REGION

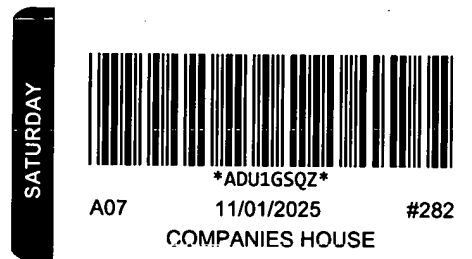
England & Wales - Charity number 1034750

Accounts

Company number: 2876147
Charity number: 1034750

Open College Network London Region

Report and financial statements
For the year ended 31 July 2024



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Open College Network London Region (OCNLR)

Contents

For the year ended 31 July 2024

Reference and administrative information	3
Trustees' annual report	4
Independent auditor's report	15
Statement of financial activities (incorporating an income and expenditure account)	20
Balance sheet	21
Statement of cash flows	22
Notes to the financial statements	23

Open College Network London Region (OCNLR)

Reference and administrative information

For the year ended 31 July 2024

Company number	2876147
Charity number	1034750
Registered office and operational address	24 Angel Gate, City Road, London, EC1V 2PT
Country of registration	England
Country of incorporation	United Kingdom

The company trades under the name OCN London.

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

P. Pledger	Chair (resigned 13 June 2024)
L. Arnold-Courtney	Interim Chair (13 June to 26 September 2024)
J. Farmer	
N. Garner	
P. Ghuman	
K. Hintz	Chair (Appointed 26 September 2024)
K. Holt	
A. May	(appointed 13 February 2024)
A-M. Soyinka	(appointed 13 February 2024)
J. Stockdale	
C. Tennant	(appointed 13 February 2024)

Key management Personnel	Carlos Cubillo-Barsi	Chief Executive
	Paul Browning	Deputy Chief Executive
	Dixa Patel	Company Secretary

Bankers National Westminster Bank Plc
166 Camden High Street, London, NW1 0NW

Solicitors Grays Solicitors
Duncombe Place, York, YO1 7DY

Auditors Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane, London, EC1Y 0TG

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 31 July 2024

The trustees present their report and the audited financial statements for the year ended 31 July 2024.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purposes and aims

The charity is a company limited by guarantee and is constituted under an Articles of Association. The Memorandum and Articles of Association were revised, and a new combined Articles of Association was adopted by special resolution on 20 March 2023. Its registered charity number is 1034750 and its registered company number is 2876147. The charity trades under the name OCN London.

Open College Network London Region (OCNLR) is an awarding organisation (AO) approved by the Office of Qualifications and Examinations Regulation (OFQUAL) to offer national qualifications. As an Access Validating Agency (AVA), OCNLR is licensed by the Quality Assurance Agency for Higher Education (QAA) to validate and award certificates on QAA-recognised Access to Higher Education Diplomas. The Board of Trustees is ultimately responsible for the operation of both licenses.

None of the trustees receive remuneration or other benefit from their work with the charity.

Objectives and activities

OCNLR exists to support learning and widen participation through achievement of credit-based qualifications, regulated and unregulated. OCNLR aims are the advancement of the education of the public in one or more of the following ways:

- By promoting and increasing participation in education and training, particularly by those persons who have benefited least from existing provision.
- By being an open and inclusive organisation, where diversity is promoted, and discrimination eliminated. Our commitment is to continue to ensure that our services meet the needs of all our diverse customers. It ensures that equality, diversity, and human rights are integrated into the way we plan, develop, and deliver our services, covering our internal functions as an employer and our external operations as a provider of qualifications and accreditation services.
- By improving the quality and flexibility of education provision for the public benefit, primarily for educationally disadvantaged persons.

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 31 July 2024

- By facilitating progression for learners by enabling them to achieve Open College Network (OCN) credits and to accumulate and, where appropriate, to transfer these towards a qualification.
- By improving access to higher education by carrying on and conducting the work of the accreditation system in London and elsewhere and conducting the work of Open College Network London Region as an AVA under license from the Quality Assurance Agency for Higher Education (QAA).
- By improving recognition of education qualifications by issuing nationally recognised Access to HE Diplomas and credits for learner achievement to be awarded independently of the providing organisations.

Public benefit

In setting its objectives for the year, the Board of Trustees has regard to both the Charity Commission's general guidance on public benefit and the mission of OCNLR that supports education for learners who have benefitted least from existing provision and can be encouraged to progress to achieve their potential. The activities currently carried out for the public benefit by the charity can be broadly categorised into the following areas:

- Development of products and services for organisations to use for educational, training and assessment purposes.
- Registration and certification of learners.
- Support for customers to confirm centre approval and the offer of coherent curriculum provision with quality assured confirmation of the achievement of credit.
- Retention of licenses to ensure continuity of the operation on behalf of customer organisations.

The majority of centres are not-for-profit organisations, delivering education and training for adults. Many of them target the educationally disadvantaged, which is critical to supporting OCNLR to achieve its aims. A significant number of centres, namely those in the traditional further and adult education sectors, are eligible to access public funding via the Education and Skills Funding Agency (ESFA), the Greater London Authority (GLA) and other Mayoral Combined Authorities (MCAs) for their delivery of our qualifications.

The outcomes of these activities for 2023–24 are identified in the following sections.

The trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general

guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on education and are undertaken to further OCNLR's charitable purposes for the public benefit.

OCNLR acts to accredit courses and develop regulated qualifications in partnership with its centres, register learners on those courses and qualifications, confirm the learners' achievement of credits and qualifications through an external quality assurance process and then to certificate those achievements. In many cases these certificates are the first tangible *evidence of learning and achievement those learners will have received.*

OCNLR is not directly involved with the delivery of learning; it acts to formally recognise a centre's fitness to provide quality assured learning programmes that may consist of its qualifications (regulated) or accredited courses (unregulated). In each case OCNLR is concerned with confirming that the offer is appropriate and coherent at the curriculum planning stage and then is quality assured to ensure comparability of standards and to safeguard the learner experience.

In 2023–24 learner registrations on our national regulated qualifications were in line with and in, some cases, ahead of projections. However, registrations onto Access to HE courses reduced by 210 compared to 2022–23; again, reflecting the increased number of students undertaking foundation years at universities and other qualification options, as well as the impact of the cost-of-living crisis. This reduction in registrations was offset, in part, through the introduction of a new service offering Digital Badges to confirm learning on otherwise unaccredited provision.

The maximum number of organisations registered with OCNLR throughout the reporting period was 356. There were 53 new centres approved in 2023–24, including large further education colleges, and a small number of resignations over the year.

Our most popular qualification was the Level 1 Award in Prevent Duty Awareness, while demand for Essential Digital Skills Qualifications remained strong. There were also healthy registrations on the Level 1 Award in Health and Safety in the Construction Environment.

Achievements against 2023–24 strategic priorities

- Recruited three new Trustees to the Board covering areas such as: representation from London borough and GLA stakeholders and expertise in higher education.
- Worked with centres to support them in responding to the QAA changes to the Access to Higher Education Diploma specification and Grade Scheme.
- In response to priorities identified by the Greater London and Greater Manchester Local Skills Improvement Plans, development of a range of modular learning opportunities focused in the sectors of health & social care, construction, green/sustainability and digital.
- Awarded the City of London Silver Award at the London Chamber of Commerce and Industry (LCCI) SME London Business Awards 2024.
- Gained Ofqual approval to provide apprenticeship end point assessment services to the creative theatre sector.
- Member of the City of London Corporation Taskforce supporting women into digital careers and sponsored the LCCI's Women into Business programme.
- Worked with the Digital Policy Alliance (DPA) and other digital sector stakeholders to inform digital skills policy development in conjunction with relevant All Party Parliamentary Groups (APPGs).
- Engaged with trade associations within the green/sustainability sector, working on commissions to produce resources, credentials and qualifications to support the development of skills and knowledge relating to carbon neutral energy production and effective eco-friendly working practices.
- Launched new microcredentials product to support lifelong learning and recognise the importance placed on skills development within the workplace and communities, alongside the acquisition of formal qualifications.
- Developed and launched new on-line Access to Higher Education Diplomas in Nursing and Business Studies.
- Began a two year pilot with the Army and partner centres to deliver an on-line Access to HE Diploma (Business Studies) to an initial cohort of 40 learners from the junior NCO Academy.
- Awarded bursaries to two Access to HE Diploma learners for outstanding academic achievement and a further two for outstanding commitment to study.
- Maintained an excellent level of service to our customers throughout the year through remote and in-person operation.
- Retained Cyber Essentials Plus accreditation demonstrating that OCNLR has enhanced levels of cybersecurity protection.

Beneficiaries of our services

Learner registration and certification

In 2023–24 OCNLR received 39,580 learner registrations, representing an increase of 6% on the previous year. Learner demographics were as follows: 55% female; 40% of a Black and Minority Ethnic background; 47% 16–18 year olds; and 45% of learners resident in the top 25% of socioeconomically deprived wards.

There were 2,010 learners registered on Access to HE courses in 2023–24 of which 1,440 achieved the full Diploma (72%). Results were submitted to UCAS by the July deadline for all learners, except for those who had appealed. The learners who had achieved the Access to HE Diplomas received their results and were able to confirm their acceptance of higher education places in a timely fashion.

Sponsorship

As part of its continuous commitment to adult learners, OCNLR sponsored the Keith Fletcher Access to HE Learner Awards and Michael Sargent Access to HE Bursary Awards were awarded to four Access to HE Diploma learners in recognition of their outstanding academic achievement and outstanding commitment to study. All four learners had overcome the particularly challenging circumstances and barriers to learning in order to achieve their Access to HE Diplomas.

Financial review

In 2022/23 period, the Board of Trustees approved a change in the financial reporting period, shifting it from October–September to August–July, effective as of 1 August 2023. Consequently, the financial statements included in this report reflect a preceding 10-month period, from 1 October 2022 to 31 July 2023.

OCNLR in 2023/24 reported a £2,036 surplus on a turnover of £1.9m.

The key sources of income continue to be registration and certification of learners on qualifications developed by the charity, accredited courses and annual fees charged to the approved centres for delivering the qualifications. The income from qualifications increased by 17% on the 2022–23 outturn and exceeded budget. The increase indicates ongoing growth in Ofqual regulated qualifications, with considerable numbers of registrations on small health and wellbeing qualifications and continuing interest in Essential Digital Skills Qualifications, all of which are intended to meet the needs of learners who require a foundation of learning before they are ready to progress to higher levels of learning and into better employment.

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 31 July 2024

Trustees continued to monitor income carefully and received information on major trends on a quarterly basis. OCNLR has good financial management with tight control of cash and debtors.

Principal risk and uncertainties

The Board of Trustees takes responsibility for managing risk. They assess the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that appropriate systems and procedures are in place to mitigate those risks.

The Department of Education's qualification reform programme continues to represent one of the highest risk factors faced by OCNLR, particularly at Level 2 and below which represents 79% of OCNLR's regulated offer. The Board and Trustees and OCNLR's executive team routinely monitor the situation and continue to work closely with representatives and government bodies to ensure that the impact of any potential risks or issues is kept to a minimum.

In addition, the potential for a significant reduction in learner registrations in the context of continuing cost of living pressures remains a significant risk. This applies particularly in relation to Access to HE Diplomas and other larger qualifications where commitment to an extended period of study is not sustainable for some potential learners. OCNLR officers monitor changes in registration patterns on a monthly basis and account managers are in regular contact with centres so that queries and concerns can be addressed promptly. There is also ongoing marketing activity to promote our qualification offer and initiatives in progress to diversify our product range and offer broader choice to potential learners.

Reserves policy and going concern

The Board of Trustees has considered the requirement for the Charity to maintain an appropriate level of free reserves. They feel it is prudent to adopt a risk-based approach when considering the minimum level of reserves to retain.

The Trustees have considered the level of free reserves required to cover the following risks:

- Robustness of current income streams
- Failure to achieve agreed delivery or performance targets
- Lack of compliance with regulatory requirements

Free reserves are deemed to be those not invested into Fixed Assets. Our baseline is to keep this at a minimum of £500k.

The money held by OCNLR in reserves is invested prudently with UK high street banks.

Remuneration policy

OCNLR is committed to ensuring a proper balance between (i) paying our staff and others who work for us fairly so that we attract and retain the best people for the job and (ii) careful management of our charity funds. In so doing we ensure the greatest effectiveness in delivering our charitable objectives and meeting the needs of our beneficiaries. Salaries for all posts comprise a band made up of a series of evenly distributed salary points. All staff are entitled to receive a contribution towards either the Teachers' Pension or the Local Government Pension Scheme. They also receive a small contribution to a personal learning course of their choice.

In June each year, the trustees determine whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st August, to reflect changes in the cost of living.

The trustees' considerations begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They then determine whether this is appropriate in the context of:

- (i) the charity's financial situation;
- (ii) the charity's performance;
- (iii) cost of living adjustments made in recent years;
- (iv) pay reviews elsewhere in the sector.

Cost of living adjustments are applied equally to all staff.

For OCNLR to run successfully, a wide range of skills are required, and it is important to pay staff appropriately to ensure that we can recruit people with the right skills. Retention of staff is also important so as to benefit from their accumulated knowledge and skills in what is a niche sector. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. OCNLR staff pay scales are set with this in mind.

Fundraising

OCNLR does not engage in public fundraising and does not use professional fundraisers or commercial participators. OCNLR nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance with these regulations and codes and OCNLR received no complaints relating to its fundraising practice.

Plans for the future

The financial outlook for OCNLR in 2024–25 is positive. The work invested in qualification and materials development and promotion this year has led to additional courses in place for 2024–25 and new centres have joined in order to deliver qualifications and credentials, including several large FE colleges and employers. The impact of the DfE's rolling programme of removing funding from qualifications with low or no registrations has been mitigated by the sustained promotion of qualifications and credentials to support the development of skills required by employers identified through LSIPs.

The Board of Trustees and OCNLR's executive team continue to provide support, challenge and assurance in the delivery of the 2022–25 strategic plan. The five strategic aims of the existing plan are to:

- Significantly improve employer involvement through innovation and collaboration;
- Proactively seek opportunities for growth and diversify sources of income;
- Provide the highest levels of customer experience;
- Develop high level vocational qualifications and ladders of progression;
- Improve organisational resilience and productivity.

Progress towards achieving the strategic aims and objectives has been positive. A new sub-committee of the Board, the Strategic Development and Engagement Committee (SDEC), has been established with responsibility for advising the Chief Executive and reports to the Board of Trustees on all matters relating to OCN London's strategic, external facing activities, the effectiveness of the customer journey; and the impact that OCN London has on the communities it serves.

Structure, governance and management

Three new Trustees joined the Board in February 2024, adding further expertise in key areas relevant to our work. In June the Chair of the Board stepped down from this role, and following a short interim period a new Chair was appointed by Trustees from among their number.

OCNLR has a Finance and General Purposes committee (F&GP) with a remit to advise the CEO and report to the Board of Trustees on all matters relating to financial policy and the financial arrangements, policies and arrangements for general resourcing, and on all matters relating to the staffing resources of OCNLR.

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 31 July 2024

OCNLR employs a full-time CEO, who is responsible for the day-to-day management of the organisation. Staffing matters are delegated to the CEO subject to the guidance of the Board of Trustees. The Board of Trustees delegates some responsibilities to the Quality and Standards Committee and the F&GP but retains overall responsibility for all strategic issues and regulatory licenses. The Chair of the Board is responsible for monitoring and reviewing the performance of the Chief Executive.

The organisation is a charitable company limited by guarantee, incorporated on 19 November 1993 and registered as a charity on 10 March 1994.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to accounts.

Related parties and relationships with other organisations

OCNLR continues to work in an informal partnership with Laser Learning Awards in line with our shared mission, values and aims. The objective of the collaboration is to extend the range of qualifications available to its beneficiaries, share new developments that will benefit beneficiaries and share good practice in assessment and quality assurance to enhance the learning experience for beneficiaries. The CEO and other officers also have positive relationships with their counterparts at other awarding organisations who share a common heritage and values with OCNLR.

Funds held as custodian trustee on behalf of others

OCNLR does not hold funds as a custodian nor acted as a custodian trustee.

Statement of responsibilities of the trustees

The trustees (who are also directors of OCNLR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees' annual report

For the year ended 31 July 2024

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs 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 these 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 auditor is unaware.
- 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 1 August 2023 was 8 and as at 31 July 2024 was 10. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 31 July 2024

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to operate in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. Approved by the trustees on 5 December 2024 and signed on their behalf by



Kurt Hintz
Chair of OCNLR Board of Trustees

Independent auditor's report

To the members of Open College Network London Region

For the year ended 31 July 2024

Opinion

We have audited the financial statements of Open College Network London Region (the 'charitable company') For the year ended 31 July 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 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 Open College Network London Region'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.

Independent auditor's report

To the members of Open College Network London Region

For the year ended 31 July 2024

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 trustees' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate 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;

Independent auditor's report

To the members of Open College Network London Region

For the year ended 31 July 2024

or

- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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.

Auditor's 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 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.

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 are set out below.

Independent auditor's report

To the members of Open College Network London Region

For the year ended 31 July 2024

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent auditor's report

To the members of Open College Network London Region

For the year ended 31 July 2024

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 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 those matters we are required to state to them in an auditor's 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.

Joanna Pittman FCA (Senior statutory auditor)
17 December 2024
for and on behalf of Sayer Vincent LLP,
110 Golden Lane, London, EC1Y 0TG

Open College Network London Region (OCNLR)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 July 2024

		2024	2023
		Total	(10 months) Total
	Note	£	£
Income from:			
Charitable activities	2	1,866,952	1,722,676
Other trading activities		70,961	23,180
Interest receivable		2,378	1,890
Total income		1,940,291	1,747,746
Expenditure on:			
Charitable activities	3	1,938,255	1,682,700
Total expenditure		1,938,255	1,682,700
Net income for the year		2,036	65,046
Reconciliation of funds:			
Total funds brought forward		908,303	843,256
Total funds carried forward		910,339	908,303

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure is unrestricted.

Open College Network London Region (OCNLR)

Balance Sheet

For the year ended 31 July 2024

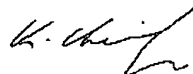
Company number: 2876147

	Note	2024		2023 (10 months)	
		£	£	£	£
Fixed assets	9				
Intangible assets			60,353		
Tangible assets			116,247		167,081
			<u>176,600</u>		<u>167,081</u>
Current Assets					
Debtors	10	239,658		253,769	
Short term deposits		250,000		104,913	
Cash at bank and in hand		479,224		717,225	
		<u>968,882</u>		<u>1,075,907</u>	
Creditors: amounts falling due within one year	11	<u>(198,863)</u>		<u>(324,463)</u>	
Net assets/liabilities			<u>770,019</u>		<u>751,444</u>
Total assets less current liabilities			<u>946,619</u>		<u>918,525</u>
Creditors: amounts falling after more than one year	11		<u>(36,280)</u>		<u>(10,222)</u>
Total net assets/liabilities			<u>910,339</u>		<u>908,303</u>
The funds of the Charity	12				
Unrestricted funds			910,339		908,303
Total charity funds			<u>910,339</u>		<u>908,303</u>

Approved by the trustees on 5 December 2024 and signed on their behalf by:



Lucy Arnold-Courtney
Trustee



Kurt Hintz
Trustee

Open College Network London Region (OCNLR)

Statement of cash flows

For the year ended 31 July 2024

	2024	2023 (10 months)
	£	£
Net income for the reporting periods (as per the statement of financial activities)	2,036	65,046
Adjustments for:		
Depreciation of tangible fixed assets	63,170	65,740
Amortisation of intangible fixed assets	14,747	-
Interest and other trading income	(2,378)	(1,890)
Changes in:		
(Increase)/Decrease in Trade and other debtors	14,111	108,987
Increase/(Decrease) in Trade and other creditors	(99,542)	(17,780)
Net cash flow from operating activities	(7,856)	220,104
Cash flows from investing activities:		
Interest and other trading income	2,378	(1,890)
Purchase of tangible fixed assets	(87,436)	(208,890)
Sale of tangible fixed assets (net of costs of disposal)	-	417,928
Net cash flow from investing activities	(85,057)	207,149
Net increase/(decrease) in cash	(92,914)	12,955
Cash and cash equivalents at the beginning of the year	822,138	809,183
Cash and cash equivalents at the end of the year	729,224	822,138

Notes to the financial statements

For the year ended 31 July 2024

1 Accounting policies

a) Statutory information

Open College Network London Region is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) is 24 Angel Gate, City Road, London, EC1V 2PT.

b) Basis of preparation

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.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Notes to the financial statements

For the year ended 31 July 2024

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of each activity is made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease. Under the 5-year lease agreement, the lessor gave a four month rent-free period. This has been charged on a straight line over the term of lease with a break clause of 3-years.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Notes to the financial statements

For the year ended 31 July 2024

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures & fittings 4 years
- Computer Equipment 3 years

l) Intangible fixed asset

Items of software are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Software 3 years

m) Cash at bank and cash in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

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

o) Pensions

Teacher's Pension Scheme (TPS)

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £15,328.79 (2023 £32,817.24).

The TPS is an unfunded multi-employer defined benefit pension scheme governed by the Teachers' Pension Scheme regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report of the TPS was prepared at 31

Open College Network London Region (OCNLR)

Notes to the financial statements

For the year ended 31 July 2024

March 2016 and was published in March 2019. This report confirmed that the employer contribution rate for the TPS would increase from 16.48% to 23.68% although, recognising that teaching establishments work on an academic and not financial year, the Government deferred the implementation of this increase to September 2019. Employers in addition from 1 September 2019 pay a scheme administration levy of 0.08% of pay and will be payable over the remainder of the period to March 2023 to ensure that the level of the notional fund at the next valuation of the scheme is expected to be unaffected by delay.

The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Local Government Pension Scheme (LGPS)

The LGPS is a multi-employer defined benefit scheme. It is contracted out of the State Second Pension. The assumption and other data that the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2022
Actuarial method	Prospective benefits
Discount rate	5.2%
Salary scale increases per annum	2.9%
Market value of assets at date of last valuation	£6,053m
Fund Surplus	£1.63bn
Funding Level	128%

The LGPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Total contributions to the scheme during the year were £28,361 (2023 £57,835). No additional payments have been required this year to cover the deficit funded, (2023: Nil).

Open College Network London Region (OCNLR)

Notes to the financial statements

For the year ended 31 July 2024

2 Income	2024	2023 (10
	Total	months)
	£	Total
		£
Income from Charitable Activities		
Accreditations and registration income	1,542,888	1,472,290
Unit Development income	28,526	11,330
Subscriptions	238,949	206,336
Other service income	56,589	32,720
	<u>1,866,952</u>	<u>1,722,676</u>
Income from trading activities		
Other income	70,961	23,180
Income from investments		
Interest receivable	2,378	1,890
Total	<u><u>1,940,291</u></u>	<u><u>1,747,746</u></u>

Open College Network London Region (OCNLR)
Notes to the financial statements
For the year ended 31 July 2024

3 Expenditure	Expenditure on	Governance	2024	Expenditure on	Governance	2023 (10 months)
	charitable activities	Costs	Total	charitable activities	Costs	Total
	£	£	£	£	£	£
Staff costs (Note 5)	1,071,490	18,915	1,090,405	937,889	15,467	953,356
Moderators' fees	80,166	-	80,166	68,215	-	68,215
Subscriptions and publications	74,135	-	74,135	61,710	-	61,710
Rents, rates and insurance	101,934	-	101,934	62,889	-	62,889
Telephone, postage and stationery	58,956	-	58,956	60,890	-	60,890
Consultancy	249,005	-	249,005	184,288	-	184,288
Printing and publishing	-	-	-	6,262	-	6,262
Travel and subsistence	14,979	433	15,412	10,385	-	10,385
Sundry expenses	12,619	-	12,619	11,728	-	11,728
Depreciation	63,170	-	63,170	65,740	-	65,740
Amortisation	14,747	-	14,747	-	-	-
Repairs and maintenance	8,811	-	8,811	33,828	-	33,828
Staff training and recruitment	10,909	-	10,909	16,114	-	16,114
Computer management and maintenance	9,269	-	9,269	5,066	-	5,066
Legal and professional	33,732	-	33,732	23,590	-	23,590
Bank charges and interest	2,670	-	2,670	2,609	-	2,609
Publicity and marketing	24,386	-	24,386	15,878	-	15,878
Bad debt provision	-	-	-	8,921	-	8,921
External verification	72,338	-	72,338	64,000	-	64,000
Access Revalidation	2,990	-	2,990	3,650	-	3,650
Governance costs	-	12,600	12,600	-	23,581	23,581
	11,906,307	31,948	1,938,255	1,643,652	39,048	1,682,700
Governance costs	31,948	(31,948)	-	39,048	(39,048)	-
Total Resources Expended	1,938,255	-	1,938,255	1,682,700	-	1,682,700

Open College Network London Region (OCNLR)

Notes to the financial statements

For the year ended 31 July 2024

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

	2024	2023 (10 months)
	£	£
Depreciation of tangible fixed assets	63,170	65,740
Amortisation of intangible fixed assets	14,747	-
Payments for operating leases	-	-
Property	112,270	57,631
Auditors remuneration	-	-
for audit services	11,700	10,950
for non-audit services	1,375	1,300

The above audit fees are exclusive of VAT.

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total staff and employee benefits for the period are analysed as follows:

	2024	2023 (10 months)
	£	£
Wages and salaries	913,692	787,650
Social Security costs	92,688	83,966
Employer contributions to pension plans	43,784	81,740
Termination costs	40,240	-
	<u>1,090,405</u>	<u>953,356</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023 (10 months)
	No.	No.
£60,000 – £69,999	1	1
£70,000 – £79,999	-	-
£80,000 – £89,999	-	1
£90,000 – £99,999	1	-

Open College Network London Region (OCNLR)

Notes to the financial statements

For the year ended 31 July 2024

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £173,778 (2023: £150,707).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs for two Trustees totalling £433 (2023: £0) incurred by 0 (2023: 0) members relating to attendance at meetings of the trustees.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 25 (2023: 25)

Staff are split across the activities of the charitable company as follows (head count basis):

	2024	2023 (10 months)
	No.	No.
Chief Executive Office	4	2
Administration	3	3
Finance	2	2
Information Technology	2	2
Curriculum group	7	5
Quality group	7	11
	<hr/> 25 <hr/>	<hr/> 25 <hr/>

7 Related party transactions

A number of trustees hold positions at OCNLR approved centres London. This includes: Natalie Garner – Croydon College and Kurt Hintz – Petroc College.

All transactions were on normal commercial terms and were made at arms-length.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For the year ended 31 July 2024

9 Fixed Assets

Tangible fixed assets	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	183,808	49,611	233,419
Additions in year	188	21,747	21,935
Transfer to intangible fixed assets	-	(14,400)	(14,400)
At the end of the year	<u>183,995</u>	<u>56,958</u>	<u>240,954</u>
Depreciation			
At the start of the year	48,329	18,007	66,337
Charge for the year	45,968	17,202	63,170
Transfer to intangible fixed assets	-	(4,800)	(4,800)
At the end of the year	<u>94,297</u>	<u>30,409</u>	<u>124,707</u>
Net Book value			
At the end of the year	89,698	26,549	116,247
At the start of the year	135,478	31,603	167,081
Intangible fixed assets			
		Software £	Total £
Cost			
At the start of the year		-	-
Transfer from tangible fixed assets		14,400	14,400
Additions in year		65,500	65,500
At the end of the year		<u>79,900</u>	<u>79,900</u>
Depreciation			
At the start of the year		-	-
Transfer from tangible fixed assets		4,800	4,800
Charge for the year		14,747	14,747
At the end of the year		<u>19,547</u>	<u>19,547</u>
Net Book value			
At the end of the year		60,353	60,353
At the start of the year		-	-

Open College Network London Region (OCNLR)

Notes to the financial statements

For the year ended 31 July 2024

10 Debtors

	2024	2023 (10 months)
	£	£
Trade debtors	206,005	155,080
Prepayments and accrued income	33,653	98,689
	<u>239,658</u>	<u>253,769</u>

11 Creditors: amounts falling due within one year

	2024	2023 (10 months)
	£	£
Trade creditors	83,082	129,623
Accruals and deferred income	85,587	148,190
Social security and other taxes	20,357	31,281
Other creditors	9,837	15,368
Total	<u>198,863</u>	<u>324,462</u>

Creditors: amounts falling due after one year

	2024	2023 (10 months)
	£	£
Accruals and deferred income	<u>36,280</u>	<u>10,228</u>

Within accruals and deferred income as at 31/07/2024 there is £74k which relates to deferred income (2023: £65k).

	2024	2023 (10 months)
	£	£
Balance brought forward	65,665	223,535
Amounts released from prior reporting periods	(18,403)	(223,535)
Income deferred in the current year	7,227	65,665
Balance carried forward	<u>54,489</u>	<u>65,665</u>

Notes to the financial statements

For the year ended 31 July 2024

12 Analysis of net assets between funds

Fund balances at 31 July 2024 are represented by:	Unrestricted	Total
	funds	
	£	£
Tangible Fixed Assets	116,247	116,247
Intangible Fixed Assets	60,353	60,353
Current Assets	968,882	968,882
Creditors: amounts falling due within one year	(235,143)	(235,143)
Creditors: amounts falling due after more than one year	(36,280)	(36,280)
Total	910,339	910,339

Fund balances at 31 July 2023 are represented by:

Tangible Fixed Assets	167,081	167,081
Current Assets	1,075,907	1,075,907
Creditors: amounts falling due within one year	(324,463)	(324,463)
Creditors: amounts falling due after more than one year	(10,222)	(10,222)
Total	908,303	908,303

13 Movements in funds

	Balance at 1	Movement in funds		Balance at 31
	01/08/2023	Income	Expenditure	31/07/2024
Unrestricted Funds				
General	908,303	1,940,291	(1,938,255)	910,339
Total Funds	908,303	1,940,291	(1,938,255)	910,339

Prior year	Balance at 1	Movement in funds		Balance at 31
	01/10/2022	Income	Expenditure	31/07/2023
	£	£	£	£
Unrestricted Funds				
General	843,256	1,747,746	(1,682,700)	908,303
Total Funds	843,256	1,747,746	(1,682,700)	908,303

Open College Network London Region (OCNLR)

Notes to the financial statements

For the year ended 31 July 2024

14 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods.

Property	2024	2023 (10 months)
	£	£
Less than one year	57,631	57,631
One to five years	57,631	57,631
	<u>57,631</u>	<u>57,631</u>

15 Legal status of the charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

OPEN COLLEGE NETWORK LONDON REGION

England & Wales - Charity number 1034750

Accounts

Company number: 2876147
Charity number: 1034750

Open College Network London Region

Report and financial statements
For the period ended 31 July 2023



Open College Network London Region (OCNLR)

Contents

For the period ended 31 July 2023

Reference and administrative information	1
Trustees' annual report	2
Notes to the financial statements	12
Independent auditor's report	13
Statement of financial activities (incorporating an income and expenditure account)	18
Balance sheet	19
Statement of cash flows	20

Open College Network London Region (OCNLR)

Reference and administrative information

For the period ended 31 July 2023

Company number	2876147
Charity number	1034750
Registered office and operational address	24 Angel Gate, City Road, London, EC1V 2PT
Country of registration	England
Country of incorporation	United Kingdom

The company trades under the name OCN London.

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

P. Pledger	Chair
L. Arnold-Courtney	Deputy Chair
J. Farmer	
N. Garner	(appointed 8 December 2022)
P. Ghuman	(appointed 8 December 2022)
K. Hintz	(appointed 8 December 2022)
K. Holt	(appointed 8 December 2022)
J. Stockdale	(appointed 8 December 2022)
K. Caplin	(resigned 8 December 2022)
N. Foster	(resigned 8 December 2022)
A. May	(appointed 13 February 2024)
A-M. Soyinka	(appointed 13 February 2024)
C. Tennant	(appointed 13 February 2024)

Key management personnel	Carlos Cubillo-Barsi	Chief Executive
	Paul Browning	Deputy Chief Executive
	Dixa Patel	Company Secretary

Bankers National Westminster Bank Plc
166 Camden High Street, London, NW1 0NW

Solicitors Grays Solicitors
Duncombe Place, York, YO1 7DY

Auditors Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House, 110 Golden Lane, London, EC1Y 0TG

Open College Network London Region (OCNLR)

Trustees' annual report

For the period ended 31 July 2023

The trustees present their report and the audited financial statements for the year ended 31 July 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purposes and aims

The charity is a company limited by guarantee and is constituted under an Articles of Association. The Memorandum and Articles of Association were revised, and a new combined Articles of Association was adopted by special resolution on 20 March 2023. Its registered charity number is 1034750 and its registered company number is 2876147. The charity trades under the name OCN London.

Open College Network London Region (OCNLR) is an awarding organisation (AO) approved by the Office of Qualifications and Examinations Regulation (OFQUAL) to offer national qualifications. As an Access Validating Agency (AVA), OCNLR is licensed by the Quality Assurance Agency for Higher Education (QAA) to validate and award certificates on QAA-recognised Access to Higher Education Diplomas. The Board of Trustees is ultimately responsible for the operation of both licenses.

None of the trustees receive remuneration or other benefit from their work with the charity.

Objectives and activities

OCNLR exists to support learning and widen participation through achievement of credit-based qualifications, regulated and unregulated. OCNLR aims are the advancement of the education of the public in one or more of the following ways:

- By promoting and increasing participation in education and training, particularly by those persons who have benefited least from existing provision.
- By being an open and inclusive organisation, where diversity is promoted, and discrimination eliminated. Our commitment is to continue to ensure that our services meet the needs of all our diverse customers. It ensures that equality, diversity, and human rights are integrated into the way we plan, develop, and deliver our services, covering our internal functions as an employer and our external operations as a provider of qualifications and accreditation services.
- By improving the quality and flexibility of education provision for the public benefit,

primarily for educationally disadvantaged persons.

- By facilitating progression for learners by enabling them to achieve Open College Network (OCN) credits and to accumulate and, where appropriate, to transfer these towards a qualification.
- By improving access to higher education by carrying on and conducting the work of the accreditation system in London and elsewhere and conducting the work of Open College Network London Region as an AVA under license from the Quality Assurance Agency for Higher Education (QAA).
- By improving recognition of education qualifications by issuing nationally recognised Access to HE Diplomas and credits for learner achievement to be awarded independently of the providing organisations.

Public benefit

In setting its objectives for the year, the Board of Trustees has regard to both the Charity Commission's general guidance on public benefit and the mission of OCNLR that supports education for learners who have benefitted least from existing provision and can be encouraged to progress to achieve their potential. The activities currently carried out for the public benefit by the charity can be broadly categorised into the following areas:

- Development of products and services for organisations to use for educational, training and assessment purposes.
- Registration and certification of learners.
- Support for customers to confirm centre approval and the offer of coherent curriculum provision with quality assured confirmation of the achievement of credit.
- Retention of licenses to ensure continuity of the operation on behalf of customer organisations.

The majority of centres are not-for-profit organisations, delivering education and training for adults. Many of them target the educationally disadvantaged which is critical to supporting OCNLR to achieve its aims. A significant number of centres, namely those in the traditional further and adult education sectors, are eligible to access public funding via the Education and Skills Funding Agency (ESFA), the Greater London Authority (GLA) and other Mayoral Combined Authorities (MCAs) for their delivery of our qualifications.

The outcomes of these activities for 2022–23 are identified in the following sections.

The trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on education and are undertaken to further OCNLR's charitable purposes for the public benefit.

OCNLR acts to accredit courses and develop regulated qualifications in partnership with its centres, register learners on those courses and qualifications, confirm the learners' achievement of credits and qualifications through an external quality assurance process and then to certificate those achievements. In many cases these certificates are the first tangible evidence of learning and achievement those learners will have received.

OCNLR is not directly involved with the delivery of learning; it acts to formally recognise a centre's fitness to provide quality assured learning programmes that may consist of its qualifications (regulated) or accredited courses (unregulated). In each case OCNLR is concerned with confirming that the offer is appropriate and coherent at the curriculum planning stage and then is quality assured to ensure comparability of standards and to safeguard the learner experience.

Practically our aims are pursued beyond the core functions of the organisation where we seek to foster an understanding and an expansion of the benefits of accreditation.

OCNLR trustees and the executive team undertook a review of the Memorandum and Articles of Association with a view to: ensure that they reflected how OCNLR operates; remove detailed provisions that were no longer relevant or practical; and to modernise both documents, ensuring that they were fit for purpose in supporting the future strategy and direction of the organisation. The revised Articles of Association were adopted by special resolution on 20 March 2023.

In 2022–23 learner registrations on our national regulated qualifications were in line with projections. However, registrations onto Access to HE courses reduced by 546 compared to 2021–22; due, in part, to the increased number of students undertaking foundation years at universities and the impact of the cost of living crisis. This reduction in registrations was offset, in part, as a result of a new international partnership with a Greek provider, UCERT, delivering OCNLR accredited International ESOL qualifications.

The maximum number of organisations registered with OCNLR throughout the reporting period

Trustees' annual report

For the period ended 31 July 2023

was 362. There were 40 new centres approved in 2022–23, including large further education colleges, and a small number of resignations over the year.

There were healthy registrations on our new ESOL International qualifications and the Level 1 qualification in developing emotional resilience, whilst demand for the Essential Digital Skills qualifications (EDSQs) remained strong.

Achievements against 2021–22 strategic priorities

- Recruited five new Trustees to the Board covering areas such as: finance; corporate learning & development; leadership roles working within the FE sector; and regulatory compliance.
- Continued to work with centres to support them in the online/blended delivery of the qualifications and accredited courses to their learners, anticipating and responding to needs through regular video meetings and webinars.
- Appointed as a Member of the London Chamber of Commerce and Industry (LCCI) skills board, working closely with London's employer representative bodies in the development of the Greater London Local Skills Improvement Plan (LSIP).
- Gained Ofqual approval to accredit International ESOL qualifications and launched a new international venture in Greece.
- Appointed an official 'friend' of London's Cyber Resilience Centre (LCRC), and with the CEO joining the LCRC steering committee. The Cyber Resilience Centre for London is a not-for-profit organisation working in partnership with the Mayor's Office for Policing and Crime.
- Became a licenced partner of SFIA (Skills Framework for the Information Age) skills framework developed by employers within the technical and digital sector, allowing OCNLR to develop resources, qualifications and credentials which officially map directly to SFIA standards, providing access to a broader market of employer customers.
- Joined the Digital Policy Alliance (DPA), an organisation focused on research and developing informed policy ideas for decision-makers. OCNLR's CEO co-chairs the DPA skills group with an initial focus on informing policy direction of the critical digital skills identified through the LSIP reports.
- Moved into new premises, resulting in: an improved working environment for staff; a more sustainable and environmentally-friendly workspace; and significant in-year revenue savings.
- Engaged with trade associations within the green/sustainability sector, working on commissions to produce resources, credentials and qualifications to support the development of skills and knowledge relating to carbon neutral energy production and effective eco-friendly working practices.
- Expanded the non-regulated provision for centres outside the publicly funded sector in anticipation of future changes to public funding of qualifications.

Trustees' annual report

For the period ended 31 July 2023

- Awarded bursaries to two Access to HE Diploma learners for outstanding academic achievement and a further two for outstanding commitment to study.
- Maintained an excellent level of service to our customers throughout the year through remote and in-person operation.
- Secured Cyber Essentials Plus accreditation demonstrating that OCNLR has enhanced levels of cybersecurity protection.

Beneficiaries of our services

Learner registration and certification

In 2022–23 OCNLR received 36,667 learner registrations, representing a small decrease of 5% due to the foreshortening of the financial year by two months. Learner demographics were as follows: 58% female; 60% of a Black and Minority Ethnic background; 47% 16–18 year olds; and 46% of learners resident in the top 25% of deprived wards.

There were 2,229 learners registered on Access to HE courses in 2022–23 of which 1,529 achieved the full Diploma (68.6%). Results were submitted to UCAS by the July deadline for all learners, except for those who had appealed. The learners who had achieved the Access to HE Diplomas received their results and were able to confirm their acceptance of higher education places in a timely fashion.

Sponsorship

As part of its continuous commitment to adult learners, OCNLR sponsored the Keith Fletcher Access to HE Learner Awards and Michael Sargent Access to HE Bursary Awards were awarded to four Access to HE Diploma learners in recognition of their outstanding academic achievement and outstanding commitment to study. All four learners had overcome the particularly challenging circumstances and barriers to learning in order to achieve their Access to HE Diplomas.

Financial review

In order to align the financial reporting period to OCNLR's business cycle, the Board of Trustees agreed to realign the financial reporting period from October/September to August/July, effective from 1 August 2023. Accordingly, the financial statements accompanying this report relate to the 10-month period 1 October 2022 – 31 July 2023.

OCNLR reported a £65,046 surplus on a turnover of £1,747,746 after a year in which trustees had set a surplus budget of £140,801.

The key sources of income continue to be registration and certification of learners on qualifications developed by the charity, accredited courses and annual fees charged to the approved centres for delivering the qualifications. The income from qualifications increased by 3% on the 2021–22 outturn and exceeded budget. The increase indicates ongoing growth in Ofqual regulated qualifications, with considerable numbers of registrations on small health and wellbeing qualifications and an increase in Essential Digital Skills Qualifications, all of which are intended to meet the needs of learners who require a foundation of learning before they are ready to progress to higher levels of learning and into better employment.

Trustees continued to monitor income carefully and received information on major trends on a quarterly basis. OCNLR has good financial management with tight control of cash and debtors.

Principal risk and uncertainties

The Board of Trustees takes responsibility for managing risk. They assess the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that appropriate systems and procedures are in place to mitigate those risks.

The Department of Education's qualification reform programme represents one of the highest risk factors faced by OCNLR, particularly at Level 2 and below which represents 79% of OCNLR's regulated offer. The Board and Trustees and OCNLR's executive team routinely monitor the situation and work closely with key stakeholders, such as the Federation of Awarding Bodies (FAB) and the Institute for Apprenticeships and Technical Education (IfATE), to ensure that the impact of any potential risks or issues is kept to a minimum.

In addition, the potential for the widespread misuse of artificial intelligence (AI) poses a risk to the safety of OCN London awards with regulatory and reputational risks. OCNLR's CEO convened a group of collaborative awarding organisations who have developed a common position statement on AI. Further work has been undertaken to develop appropriate guidance to centres and to update policies relating to malpractice/maladministration. Further work is underway to: establish training for staff on impact and uses of AI with a focus on the staff responsible for external quality assurance; provide awareness raising activities with centres; and the development of an agreed code of practice around use of AI.

Reserves policy and going concern

In accordance with its stated policy, OCNLR holds reserves to cover 4–6 months' expenditure in order to provide the necessary resources should the company need to be wound up. The reserves would be needed to meet liabilities relating to learners, members, staff, creditors, pensions. At the end of 2021–22 financial year, the total unrestricted funds were £843,256. The reserves at

Open College Network London Region (OCNLR)

Trustees' annual report

For the period ended 31 July 2023

2022–23 year–end are £908,303. The calculated costs of winding up the company based on the current staff complement is £596,459.

The money held by OCNLR in reserves is invested prudently with UK high street banks.

Remuneration policy

OCNLR is committed to ensuring a proper balance between (i) paying our staff and others who work for us fairly so that we attract and retain the best people for the job and (ii) careful management of our charity funds. In so doing we ensure the greatest effectiveness in delivering our charitable objectives and meeting the needs of our beneficiaries. Salaries for all posts comprise a band made up of a series of evenly distributed salary points. All staff are entitled to receive a contribution towards either the Teachers' Pension or the Local Government Pension Scheme. They also receive a small contribution to a personal learning course of their choice.

In June each year, the trustees determine whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st October, to reflect changes in the cost of living.

The trustees' considerations begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They then determine whether this is appropriate in the context of:

- (i) the charity's financial situation;
- (ii) the charity's performance;
- (iii) cost of living adjustments made in recent years;
- (iv) pay reviews elsewhere in the sector.

Cost of living adjustments are applied equally to all staff.

For OCNLR to run successfully, a wide range of skills are required, and it is important to pay staff appropriately to ensure that we can recruit people with the right skills. Retention of staff is also important so as to benefit from their accumulated knowledge and skills in what is a niche sector. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. OCNLR staff pay scales are set with this in mind.

Fundraising

OCNLR does not engage in public fundraising and does not use professional fundraisers or

Trustees' annual report

For the period ended 31 July 2023

commercial participators. OCNLR nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance with these regulations and codes and OCNLR received no complaints relating to its fundraising practice.

Plans for the future

The financial outlook for OCNLR in 2023–24 is positive. The work invested in qualification and materials development and promotion this year has led to additional courses in place for 2023–24 and new centres have joined in order to deliver qualifications and credentials, including several large FE colleges and employers. The impact of the DfE's rolling programme of removing funding from qualifications with low or no registrations has been mitigated by the sustained promotion of qualifications and credentials to support the development of skills required by employers identified through LSIPs.

The Board of Trustees and OCNLR's executive team continue to provide support, challenge and assurance in the delivery of the 2022–25 strategic plan. The five strategic aims of the new plan are to:

- Significantly improve employer involvement through innovation and collaboration;
- Proactively seek opportunities for growth and diversify sources of income;
- Provide the highest levels of customer experience;
- Develop high level vocational qualifications and ladders of progression;
- Improve organisational resilience and productivity.

Progress towards achieving the strategic aims and objectives has been positive. A new Strategic Operations Team (SOT) has been established with responsibility for agreeing organisational key results (OKRs) and ensuring that these are delivered. Business actions are monitored through an agreed operational plan and progress of achieving quarterly milestones is reported to the Board of Trustees.

Structure, governance and management

A Search Committee of Trustees was established to seek new Trustees to address gaps in skills, expertise and/or representation of the breadth of membership on the Board following a Skills Audit of trustees. A specialist recruitment organisation, Peridot Partners, was then commissioned by the Board to advertise for, and support the assessment of, trustee applicants for this year and for the next couple of years to ensure the maintenance of a Board of Trustees with the skills, knowledge and experience to govern and develop the charity. Following interviews, the Board approved the appointment of recommended new trustees.

OCNLR has a Finance and General Purposes committee (F&GP) with a remit to advise the

Open College Network London Region (OCNLR)

Trustees' annual report

For the period ended 31 July 2023

CEO and report to the Board of Trustees on all matters relating to financial policy and the financial arrangements, policies and arrangements for general resourcing, and on all matters relating to the staffing resources of OCNLR.

OCNLR employs a full-time CEO, who is responsible for the day-to-day management of the organisation. Staffing matters are delegated to the CEO subject to the guidance of the Board of Trustees. The Board of Trustees delegates some responsibilities to the Quality and Standards Committee and the F&GP but retains overall responsibility for all strategic issues and regulatory licenses. The Chair of the Board is responsible for monitoring and reviewing the performance of the Chief Executive.

The organisation is a charitable company limited by guarantee, incorporated on 19 November 1993 and registered as a charity on 10 March 1994.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to accounts.

Related parties and relationships with other organisations

OCNLR continues to work in an informal partnership with Laser Learning Awards in line with our shared mission, values and aims. The objective of the collaboration is to extend the range of qualifications available to its beneficiaries, share new developments that will benefit beneficiaries and share good practice in assessment and quality assurance to enhance the learning experience for beneficiaries.

Funds held as custodian trustee on behalf of others

OCNLR does not hold funds as a custodian nor acted as a custodian trustee.

Statement of responsibilities of the trustees

The trustees (who are also directors of OCNLR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which

Trustees' annual report

For the period ended 31 July 2023

give a true and fair view of the state of affairs 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 these 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 auditor is unaware.
- 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 September 2022 was 5 and as at 31 July 2023 was 8 . The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to operate in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. Approved by the trustees on 21 March 2024 and signed on their behalf by

Peter Pledger

Chair of OCNLR Board of Trustees

Independent auditor's report

To the members of Open College Network London Region

For the period ended 31 July 2023

Opinion

We have audited the financial statements of Open College Network London Region (the 'charitable company') for the period ended 31 July 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 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 Open College Network London Region'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

Independent auditor's report

To the members of Open College Network London Region

For the period ended 31 July 2023

described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 trustees' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate 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
- The directors were not entitled to prepare the financial statements in accordance with the

Independent auditor's report

To the members of Open College Network London Region

For the period ended 31 July 2023

small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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.

Auditor's 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 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.

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 are set out below.

Capability of the audit in detecting irregularities

- In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
 - We enquired of management which included obtaining and reviewing supporting

Independent auditor's report

To the members of Open College Network London Region

For the period ended 31 July 2023

- documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
 - We inspected the minutes of meetings of those charged with governance.
 - We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
 - We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We reviewed any reports made to regulators.
 - We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
 - We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
 - In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 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

Independent auditor's report

To the members of Open College Network London Region

For the period ended 31 July 2023

might state to the charitable company's members those matters we are required to state to them in an auditor's 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.

Joanna Pittman FCA (Senior statutory auditor)

DATE: 11 April 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 110 Golden Lane, LONDON, EC1Y 0TL

Open College Network London Region

Statement of financial activities (incorporating an income and expenditure account)

For the period ended 31 July 2023

	Note	2023 (10 months) Total £	2022 Total £
Income from:			
Charitable activities	2	1,722,676	1,839,638
Other trading activities		23,180	8,250
Interest receivable		1,890	421
Total income		1,747,746	1,848,309
Expenditure on:			
Charitable activities	3	1,682,700	1,700,730
Total expenditure		1,682,700	1,700,730
Net income for the year	4	65,046	147,579
Reconciliation of funds:			
Total funds brought forward		843,256	695,677
Total funds carried forward		908,303	843,256

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure is unrestricted.

Open College Network London Region

Balance sheet

Company no. 2876147

As at 31 July 2023

	Note	£	2023 (10 months) £	£	2022 £
Fixed assets:					
Tangible assets	9		167,081		23,784
Current assets:					
Debtors	10	253,769		362,756	
Short term deposits		104,913		305,432	
Cash at bank and in hand		717,225		503,751	
		<u>1,075,907</u>		<u>1,171,939</u>	
Liabilities:					
Creditors: amounts falling due within one year	11	(324,463)		(352,472)	
Net current assets			<u>751,444</u>		<u>819,468</u>
Total assets less current liabilities			<u>918,525</u>		<u>843,252</u>
Creditors: amounts falling due after one year	13		(10,228)		-
Total net assets			<u><u>908,303</u></u>		<u><u>843,256</u></u>
The funds of the charity:					
15a					
Unrestricted income funds:					
Designated funds		-		-	
General funds		908,303		843,256	
Total unrestricted funds			<u>908,303</u>		<u>843,256</u>
Total charity funds			<u><u>908,303</u></u>		<u><u>843,256</u></u>

Approved by the trustees on 21 March 2024 and signed on their behalf by:

Lucy Arnold-Courtney
Trustee

Peter Pledger
Trustee

Open College Network London Region

Statement of cash flows

For the period ended 31 July 2023

	Note	2023 (10 months)		2022	
		£	£	£	£
Cash flows from operating activities	16				
Net cash (used in) / provided by operating activities			220,103		96,233
Cash flows from investing activities:					
Dividends, interest and surplus from operating activities		1,890		421	
Purchase of fixed assets		208,890		(18,850)	
Disposals of fixed assets		(417,868)			
Net cash provided by / (used in) investing activities			<u>(207,088)</u>		<u>(18,429)</u>
Change in cash and cash equivalents in the year			(13,015)		77,804
Cash and cash equivalents at the beginning of the year			<u>809,183</u>		<u>731,379</u>
Cash and cash equivalents at the end of the year			<u><u>822,138</u></u>		<u><u>809,183</u></u>

1 Accounting policies

a) Statutory information

Open College Network London Region is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) is 24 Angel Gate, City Road, London, EC1V 2PT.

b) Basis of preparation

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.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements comprise 10 months to 31 July 2023 as the accounting year end has been changed. This has been done to better align with the delivery of the charity's activities.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease. Under the 5-year lease agreement, the lessor gave a four month rent-free period. This has been charged on a straight line over the term of lease with a break clause of 3-years.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-----------------------|---------|
| ● Fixtures & fittings | 4 years |
| ● Computer Equipment | 3 years |

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

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

1 Accounting policies (continued)

p) Pensions

Teacher's Pension Scheme (TPS)

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £23,727.46 (2022 £32,817.24).

The TPS is an unfunded multi-employer defined contribution pension scheme governed by the Teachers' Pension Scheme regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report of the TPS was prepared at 31 March 2016 and was published in March 2019. This report confirmed that the employer contribution rate for the TPS would increase from 16.48% to 23.68% although, recognising that teaching establishments work on an academic and not financial year, the Government deferred the implementation of this increase to September 2019. Employers in addition from 1 September 2019 pay a scheme administration levy of 0.08% of pay and will be payable over the remainder of the period to March 2023 to ensure that the level of the notional fund at the next valuation of the scheme is expected to be unaffected by delay.

The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Local Government Pension Scheme (LGPS)

The LGPS is multi-employer defined contribution scheme. It is contracted out of the State Second Pension. The assumption and other data that the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2019
Actuarial method	Prospective benefits
Discount rate	5.3%
Salary scale increases per annum	3.6%
Market value of assets at date of last valuation	£6,053m
Fund Surplus	£481m
Funding Level	109%

The LGPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Total contributions to the scheme during the year were £57,837.98, (2022 £94,905). No additional payments have been required this year to cover the deficit funded, (2023: Nil)

Notes to the financial statements

For the period ended 31 July 2023

2 Income from charitable activities

	2023 (10 months) Total £	2022 Total £
Accreditation and registration income	1,472,290	1,571,178
Units Development income	11,330	10,975
Subscriptions	206,336	225,634
Other service income	32,720	31,851
Total for charitable activities	<u>1,722,676</u>	<u>1,839,638</u>

Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Other Income	23,180	-	23,180	8,250
	<u>23,180</u>	<u>-</u>	<u>23,180</u>	<u>8,250</u>

3 Income from investments

	Unrestricted £	2023 Total £	2022 Total £
Bank interest receivable	1,890	1,890	421
	<u>1,890</u>	<u>1,890</u>	<u>421</u>

Open College Network London Region

Notes to the financial statements

For the period ended 31 July 2023

3 Analysis of expenditure

	Charitable activities £	Governance costs £	2023 (10 months) Total £	Charitable activities £	Governance costs £	2022 Total £
Staff costs (Note 5)	937,889	15,467	953,356	1,062,363	15,699	1,078,062
Moderators' fees	68,215	-	68,215	62,085	-	62,085
Subscriptions and publications	61,710	-	61,710	64,868	-	64,868
Rents, rates and insurance	62,889	-	62,889	131,242	-	131,242
Telephone, postage and stationery	60,890	-	60,890	49,381	-	49,381
Consultancy	184,288	-	184,288	103,316	-	103,316
Printing and publishing	6,262	-	6,262	6,642	-	6,642
Travel and subsistence	10,385	-	10,385	7,579	-	7,579
Sundry expenses	11,730	-	11,730	39,034	-	39,034
Depreciation	65,740	-	65,740	17,210	-	17,210
Repairs and maintenance	33,828	-	33,828	11,728	-	11,728
Staff training and recruitment	16,114	-	16,114	11,589	-	11,589
Computer management and maintenance	5,066	-	5,066	7,414	-	7,414
Legal and professional	23,590	-	23,590	13,425	-	13,425
Bank charges and interest	2,609	-	2,609	2,665	-	2,665
Publicity and marketing	15,878	-	15,878	15,083	-	15,083
Bad debt provision	8,921	-	8,921	3,000	-	3,000
External verification	64,000	-	64,000	48,963	-	48,963
Access Revalidation	3,650	-	3,650	2,255	-	2,255
Governance costs		23,581	23,581	-	25,189	25,189
	1,643,652	39,048	1,682,700	1,659,842	40,888	1,700,730
Governance costs	39,048	(39,048)	-	-	-	-
Total expenditure	1,682,700	-	1,682,700	1,700,730	-	1,700,730

Notes to the financial statements

For the period ended 31 July 2023

4 Net income for the year

This is stated after charging:

	2023 (10 months) £	2022 £
Depreciation	65,740	17,210
Operating lease rentals:		
Property	57,631	91,768
Auditor's remuneration (excluding VAT):		
Audit	10,950	9,525
Other services	1,300	1,175
	<u> </u>	<u> </u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 (10 months) £	2022 £
Salaries and wages	787,650	845,615
Social security costs	83,966	92,384
Operating costs of defined benefit pension schemes	81,739	127,563
Termination costs	-	12,500
	<u> </u>	<u> </u>
	953,356	1,078,062
	<u> </u>	<u> </u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 (10 months) No.	2022 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	-	-
£80,000 – £89,999	1	1
	<u> </u>	<u> </u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £150,707 (2022: £188,289).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2022: £225) incurred by 0 (2022: 2) members relating to attendance at meetings of the trustees.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 25 (2022: 24).

Staff are split across the activities of the charitable company as follows (head count basis):

	2023 (10 months)	2022
	No.	No.
Chief Executive Office	2	2
Administration	3	3
Finance	2	2
Information Technology	2	2
Curriculum group	5	5
Quality group	11	10
	25	24

7 Related party transactions

A number of trustees hold positions at member organisations which in the year have engaged with OCN London. These include: Natalie Garner – Croydon College, Kurt Hintz – Capital City College Group. Membership status ended on 20 March 2023 when the new Articles of Association were adopted.

All transactions were on normal commercial terms and were made at arms-length.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	266,261	176,135	442,395
Additions in year	165,602	43,289	208,890
Disposals	(248,055)	(169,813)	(417,868)
At the end of the year	183,807	49,610	233,417
Depreciation			
At the start of the year	248,567	169,897	418,464
Charge for the year	47,817	17,923	65,740
On Disposals	(248,055)	(169,813)	(417,868)
At the end of the year	48,328	18,008	66,336
Net book value			
At the end of the year	135,479	31,603	167,081
At the start of the year	17,694	6,237	23,784

All of the above assets are used for charitable purposes.

Open College Network London Region

Notes to the financial statements

For the period ended 31 July 2023

10 Debtors	2023 (10 months) £	2022 £
Trade debtors	155,080	220,373
Other debtors	-	24,647
Prepayments	98,689	117,736
	<u>253,769</u>	<u>362,756</u>
11 Creditors: amounts falling due within one year	2023 (10 months) £	2022 £
Trade creditors	129,623	40,690
Taxation and social security	31,281	21,519
Other creditors	15,368	14,420
Accruals	82,525	52,308
Deferred income (note 12)	65,665	223,535
	<u>324,463</u>	<u>352,472</u>
12 Deferred income		
Deferred income comprises of OCN ESOL International received in advance		
	2023 (10 months) £	2022 £
Balance at the beginning of the year	223,535	175,700
Amount released to income in the year	(223,535)	(175,700)
Amount deferred in the year	65,665	223,535
	<u>65,665</u>	<u>223,535</u>
Balance at the end of the year	<u>65,665</u>	<u>223,535</u>
13 Creditors: amounts falling due after one year	2023 (10 months) £	2022 £
Accruals	10,228	-
	<u>10,228</u>	<u>-</u>

For the period ended 31 July 2023

14a Analysis of net assets between funds (current year)

	Designated £	General unrestricted £	Total funds £
Tangible fixed assets	-	167,081	167,081
Net current assets	-	751,444	751,444
Long term liabilities	-	(10,228)	(10,228)
Net assets at 31 July 2023	-	908,303	908,303

14b Analysis of net assets between funds (prior year)

	Designated £	General unrestricted £	Total funds £
Tangible fixed assets		23,784	23,784
Net current assets		836,281	836,281
Long term liabilities		(16,809)	(16,809)
Net assets at 30 September 2022	-	843,256	843,256

15a Movements in funds (current year)

	At 1 October 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2023 £
Unrestricted funds					
Designated funds:					
Future Lease cost	-	-	-	-	-
Total designated funds	-	-	-	-	-
General funds	843,256	65,046	-	-	908,303
Total unrestricted funds	843,256	65,046	-	-	908,303

15b Movements in funds (prior year)

	At 1 August 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2022 £
Unrestricted funds					
Designated funds:					
Future lease costs	100,000	-	-	(100,000)	-
Total designated funds	100,000	-	-	(100,000)	-
General funds	595,677	147,579	-	100,000	843,256
Total unrestricted funds	695,677	147,579	-	-	843,256
Purposes of designated funds					

16 Reconciliation of net income to net cash flow from operating activities

	2023 (10 months) £	2022 £
Net income for the reporting period (as per the statement of financial activities)	65,046	147,579
Depreciation charges	65,740	17,210
Interest and other trading income	(1,890)	(421)
Decrease in debtors	108,987	(85,696)
(Decrease)/increase in creditors	(17,781)	17,561
	<hr/>	<hr/>
Net cash (used in) / provided by operating activities	220,103	96,233
	<hr/> <hr/>	<hr/> <hr/>

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2023 (10 months) £	2022 £
Less than one year	57,631	91,729
One to five years	57,631	-
	<hr/>	<hr/>
	115,262	91,729
	<hr/> <hr/>	<hr/> <hr/>

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

OPEN COLLEGE NETWORK LONDON REGION

England & Wales - Charity number 1034750

Accounts

Company number: 2876147

Charity number: 1034750

Open College Network London Region

Report and financial statements
For the year ended 30 September 2022

Open College Network London Region (OCNLR)

Contents

For the year ended 30 September 2022

Reference and administrative information	1
Trustees' annual report.....	2
Independent auditor's report	13
Statement of financial activities (incorporating an income and expenditure account).....	17
Balance sheet	18
Statement of cash flows.....	19
Notes to the financial statements	20

Open College Network London Region (OCNLR)

Reference and administrative information

For the year ended 30 September 2022

Company number 2876147

Charity number 1034750

Registered office and operational address 15 Angel Gate, City Road, London, EC1V 2SF

Country of registration England

Country of incorporation United Kingdom

The company trades under the name OCN

London.

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

L. Arnold–Courtney	Deputy Chair (Quality)
K. Caplin	
J. Farmer	
N. Foster	
P. Pledger	Chair
P. Wilson	(resigned 31 August 2022)
J. Dishman	(resigned 16 June 2022)

Key management personnel	Mr Federico Carlos Cubillo–Barsi	Chief Executive
	Paul Browning	Deputy Chief Executive
	Omovbera Erhenede	Head of Finance and Company Secretary

Bankers National Westminster Bank Plc
166 Camden High Street, London, NW1 0NW

Solicitors GRAYS SOLICITORS
Duncombe Place, York, YO1 7DY

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 30 September 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purposes and aims

The charity is a company limited by guarantee and is constituted under a Memorandum and Articles of Association. The Memorandum of Association is dated 19 November 1993 and was amended on 13 January 1994, 26 February 1998 and 17 May 2005. A new Articles of Association was adopted by special resolution on 9 May 2008. Further changes were agreed by Board in December 2019 and are currently with the Charities Commission pending approval. Its registered charity number is 1034750 and its registered company number is 2876147. The charity trades under the name OCN London.

Open College Network London Region (OCNLR) is an awarding organisation (AO) approved by the Office of Qualifications and Examinations Regulation (OFQUAL) to offer national qualifications. As an Access Validating Agency (AVA), OCNLR is licensed by the Quality Assurance Agency for Higher Education (QAA) to validate and award certificates on QAA-recognised Access to Higher Education Diplomas. The Board of Trustees is ultimately responsible for the operation of both licences.

None of the trustees receive remuneration or other benefit from their work with the charity.

OBJECTIVES AND ACTIVITIES

OCNLR exists to support learning and widen participation through achievement of credit-based qualifications, regulated and unregulated. OCNLR aims are the advancement of the education of the public in one or more of the following ways:

- By promoting and increasing participation in education and training, particularly by those persons who have benefited least from existing provision;
- By being an open and inclusive organisation, where diversity is promoted, and discrimination eliminated. Our commitment is to continue to ensure that our services meet the needs of all our diverse customers. It ensures that equality, diversity and human rights are integrated into the way we plan, develop and deliver our services, covering our internal functions as an employer and our external operations as a provider of qualifications and accreditation services;
- By improving the quality and flexibility of education provision for the public benefit, primarily for educationally disadvantaged persons;
- By facilitating progression for learners by enabling them to achieve Open College Network (OCN) credits and to accumulate and, where appropriate, to transfer these towards a qualification;

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 30 September 2022

- By improving access to higher education by carrying on and conducting the work of the accreditation system in London and elsewhere and conducting the work of Open College Network London Region as an AVA under licence from the Quality Assurance Agency for Higher Education (QAA);
- By improving recognition of education qualifications by issuing nationally recognised Access to HE Diplomas and credits for learner achievement to be awarded independently of the providing organisations.

PUBLIC BENEFIT

In setting its objectives for the year the Board of Trustees has regard to both the Charity Commission's general guidance on public benefit and the mission of OCNLR that supports education for learners who have benefitted least from existing provision and can be encouraged to progress to achieve their potential. The activities currently carried out for the public benefit by the charity can be broadly categorised into the following areas:

- **Development of products and services** for organisations to use for educational, training and assessment purposes.
- **Registration and certification** of learners.
- **Support for customers** to confirm centre approval and the offer of coherent curriculum provision with quality assured confirmation of the achievement of credit.
- **Retention of licences** to ensure continuity of the operation on behalf of customer organisations.

The majority of centres are not-for-profit organisations, delivering education and training for adults. Many of them target the educationally disadvantaged which is critical to supporting OCNLR to achieve its aims. A significant number of centres, namely those in the traditional further and adult education sectors, are eligible to access public funding via the Education and Skills Funding Agency (ESFA) for their delivery of our qualifications.

The outcomes of these activities for 2021–22 are identified in the following sections.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on education and are undertaken to further OCNLR's charitable purposes for the public benefit.

OCNLR acts to accredit courses and develop regulated qualifications in partnership with its centres, register learners on those courses and qualifications, confirm the learners' achievement of credits and qualifications through an external quality assurance process and then to certificate those achievements. In many cases these certificates are the first tangible evidence of learning and achievement those learners will have received.

OCNLR is not directly involved with the delivery of learning; it acts to formally recognise a centre's fitness to provide quality assured learning programmes that may consist of its qualifications (regulated) or accredited courses (unregulated). In each case OCNLR is concerned with confirming that the offer is appropriate and coherent at the curriculum planning stage and then is quality assured to ensure comparability of standards and to safeguard the learner experience.

Practically our aims are pursued beyond the core functions of the organisation where we seek to foster an understanding and an expansion of the benefits of accreditation.

In 2021–22 learner registrations on our national regulated qualifications were above projections despite further disruption during the year as a result of the COVID 19 pandemic. The transition that many centres made to remote teaching and assessment during the previous year enabled them to continue with delivery of our qualifications and accredited courses during the winter 2021–and for the remainder of the academic year.

The maximum number of organisations in membership throughout the reporting period was 359 plus 8 associate members (those organisations which do not offer OCNLR accredited educational programmes but want to support OCNLR aims). There was an increase in new centres, including large further education colleges, and a small number of resignations over the year, almost all of which were centres that had been inactive.

There were healthy registrations on Health & Safety qualifications and vocations allied to medicine. Demand for the newly developed Essential Digital Skills qualifications (EDSQs) increased significantly compared to 2019–20 as a result of continued focus and development.

Achievements against 2021–22 strategic priorities

- Recruited a new CEO in February 2022 as a result of the previous post-holder's decision to retire after 8 years of service in the role.
- Appointed a new Chair of Trustees in June 2022, also because of the post-holder's decision to retire.
- Continued to work with centres to support them in the online/blended delivery of the qualifications and accredited courses to their learners, anticipating and responding to needs through regular video meetings and webinars.
- Secured new business onto the Endorsed Training Scheme as an external quality assurance mechanism for non-accredited learning for in-house training.
- Engaged with centres to identify qualifications and resources that best suit the needs of their learners to boost employability.
- Expanded the non-regulated provision for centres outside the publicly funded sector in anticipation of future changes to public funding of qualifications.
- Carried out a sustained Essential Digital Skills marketing campaign, including regular webinars, to promote the qualifications to centres across the country as a means of addressing the nationally identified digital skills gaps.
- Invested further in the development of free materials in electronic form to support centres in the remote delivery and assessment of OCN London qualifications.
- Approved additional Access to HE Diploma courses for delivery from September 2022, particularly the Access Diploma in Policing, developed in conjunction with the Metropolitan Police.
- Engaged with Linking London, including delivering updates and attending Board meetings, raising awareness of the value of Access to HE Diploma and being their first awarding organisation member to sign up to their 'Green Pledge' to support centres in greening the curriculum.
- Awarded bursaries to two Access to HE Diploma learners for outstanding academic achievement and a further two for outstanding commitment to study.
- Maintained an excellent level of service to our customers throughout the year through remote and in-person operation.
- Secured Cyber Essentials accreditation demonstrating that OCNLR has appropriate levels of cybersecurity protection.
- Implemented PowerBI as a powerful reporting tool to significantly enhance management information and decision making.

Beneficiaries of our services

Learner registration and certification

In 2021–22 OCNLR received over 37,000 learner registrations, representing an increase of 18% compared to the previous financial year. Learner demographics were as follows: 56% female; 56% of a Black and Minority Ethnic background; 45% 16–18 year olds; and 47% of learners resident in the top 25% of deprived wards.

There were 2,772 learners registered on Access to HE courses in 2021–22 of which 1,985 achieved the full Diploma (71.6%). Results were submitted to UCAS by the July deadline for all learners, except for those who had appealed. The learners who had achieved the Access to HE Diplomas received their results ahead of A level results day. Hence, they were able to confirm their acceptance of higher education places in a timely fashion.

Sponsorship

As part of its commitment to adult learners OCNLR sponsored the Keith Fletcher Access to HE Learner Awards and Michael Sargent Access to HE Bursary Awards were awarded to four Access to HE Diploma learners in recognition of their outstanding academic achievement and outstanding commitment to study. All four learners had overcome the particularly challenging circumstances and barriers to learning in order to achieve their Access to HE Diplomas.

In addition, OCNLR sponsored the Access to HE student of year award as part of a student awards ceremony hosted by one of our FE college customers.

Financial review

OCNLR reported a £147,579 surplus on a turnover of £1,848,309 after a year in which trustees had set a surplus budget of £17,271.

The key sources of income continue to be registration and certification of learners on qualifications developed by the charity, accredited courses and annual fees charged to the approved centres for delivering the qualifications. The income from qualifications increased by 16% on the 2020–21 outturn and exceeded budget. The increase indicates ongoing growth in Ofqual qualifications, with considerable numbers of registrations on small health and wellbeing qualifications and an increase in Essential Digital Skills Qualifications, all of which are intended to meet the needs of learners who require a foundation of learning before they are ready to progress to higher levels of learning and into better employment.

Trustees continued to monitor income carefully and received information on major trends on a quarterly basis. OCNLR has good financial management with tight control of cash and debtors.

Principal risks and uncertainties

The Board of Trustees takes responsibility for managing risk. They assess the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that appropriate systems and procedures are in place to mitigate those risks. The pandemic continued to present risks but of a less dramatic nature and mitigations were already in place to support any risks to business continuity. These included continuing to raise awareness of qualifications/products suitable for online delivery, investing resource in the development of materials to support remote delivery and allocating additional resource to support the implementation of both the Ofqual and QAA contingency regulatory frameworks and the quality assurance processes that were required to be able to certificate learners.

External quality assurance and curriculum support continued through remote means and in person. Video meetings and webinars continued to be used to provide additional support and were very well-received and appreciated by centres. The staff team have worked successfully under a hybrid model of working; both from home through our cloud-based systems and typically attending the office on average twice a week. The productivity of the organisation does not appear to have been detrimentally affected by these ongoing arrangements and the health and well-being of staff has been monitored through one to one and team meetings.

In addition, risks have emerged through the Government's continued review of regulated qualifications, particularly those at Level 2 and below, which represents 79% of OCNLR's regulated offer. The outcomes and impact of the review are not yet known, although Trustees have been working closely with the executive team to ensure that effective plans are in place to mitigate against potential impact.

Reserves policy and going concern

In accordance with its stated policy, OCNLR holds reserves to cover 3 months' expenditure in order to provide the necessary resources should the company need to be wound up. The reserves would be needed to meet liabilities relating to learners, centres, staff and lease costs. At the end of 2020-21 financial year, the total unrestricted funds were £695,677. The reserves at 2021-22 year-end are £843,256. The calculated costs of winding up the company based on the current staff complement is £534,000.

The money held by OCNLR in reserves is invested prudently with UK high street banks.

Remuneration policy

OCNLR is committed to ensuring a proper balance between (i) paying our staff and others who work for us fairly so that we attract and retain the best people for the job and (ii) careful management of our charity funds. In so doing we ensure the greatest effectiveness in delivering our charitable objectives and meeting the needs of our beneficiaries. Salaries for all posts comprise a band made up of a series of evenly distributed salary points.

In June each year, the trustees determine whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st October, to reflect changes in the cost of living. The trustees' considerations begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They then determine whether this is appropriate in the context of:

- (i) the charity's financial situation;
- (ii) the charity's performance;
- (iii) cost of living adjustments made in recent years;
- (iv) pay reviews elsewhere in the sector.

Cost of living adjustments are applied equally to all staff.

For OCNLR to run successfully, a wide range of skills are required, and it is important to pay staff appropriately to ensure that we can recruit people with the right skills. Retention of staff is also important so as to benefit from their accumulated knowledge and skills in what is a niche sector. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. OCNLR staff pay scales are set with this in mind.

Fundraising

OCNLR does not engage in public fundraising and does not use professional fundraisers or commercial participators. OCNLR nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and OCNLR received no complaints relating to its fundraising practice.

Plans for the future

The financial outlook for OCNLR in 2022–23 is positive. The work invested in qualification and materials development and promotion this year has led to additional courses in place for 2022–23 and new centres have joined in order to deliver qualifications in 2021–22, including several large FE colleges and employers. The impact of the DfE's rolling programme of removing funding from qualifications with low or no registrations has been mitigated by the sustained promotion and subsequent take-up of the new Essential Digital Skills qualifications.

Additionally, a new 3-year strategic plan, covering the period 2022–2025, was agreed by the Board of Trustees in June 2022. The five strategic aims of the new plan are to:

- Significantly improve employer involvement through innovation and collaboration
- Proactively seek opportunities for growth and diversify sources of income
- Provide the highest levels of customer experience
- Develop high level vocational qualifications and ladders of progression
- Improve organisational resilience and productivity.

The previous CEO retired in January 2022 after 8 years in post and 26 years in the organisation. A successor was appointed and started in February 2022 with a full induction and transition coordinated by the Chair.

Structure, governance and management

A Search Committee of Trustees has been established to seek new Trustees to address gaps in skills, expertise and/or representation of the breadth of membership on the Board. A specialist recruitment organisation, Peridot Partners, has been commissioned to advertise for, and support the assessment of, trustee applicants. Following interviews, the Board approves the appointment of recommended new trustees.

New trustees are provided with a welcome pack that includes information about the organisation and its governance (including Memorandum & Articles of Association), contextual information, Charity Commission Guidance on being a Trustee and forms to complete including any conflict of interests for recording on the Register of Interests and Declaration of Eligibility and Suitability to meet the Ofqual requirements for senior officers.

The induction process follows and includes a tour of the organisation, meeting the staff and meeting with the Chief Executive for further information about their responsibilities in relation to governance of OCNLR, and a question and answer session.

OCNLR employs a full-time CEO, who is responsible for the day-to-day management of the organization, supported by his Deputy Chief Executive. Staffing matters are delegated to the CEO subject to the guidance of the Board of Trustees. The Board of Trustees delegates some responsibilities to a Quality and Standards Committee but retains overall responsibility for all strategic issues and regulatory licenses. The Board has also agreed to establish a Finance and

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 30 September 2022

General Purposes Committee in the next financial year. The Chair of the Board is responsible for monitoring and reviewing the performance of the Chief Executive.

The organisation is a charitable company limited by guarantee, incorporated on 19 November 1993 and registered as a charity on 10 March 1994.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to accounts.

Related parties and relationships with other organisations

OCNLR continues to work in an informal partnership with Laser Learning Awards in line with our shared mission, values and aims. The objective of the collaboration is to extend the range of qualifications available to its beneficiaries, share new developments that will benefit beneficiaries and share good practice in assessment and quality assurance to enhance the learning experience for beneficiaries.

Funds held as custodian trustee on behalf of others

OCNLR does not hold funds as a custodian nor acted as a custodian trustee.

Statement of responsibilities of the trustees

The trustees (who are also directors of OCNLR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs 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 these 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 auditor is unaware
- 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 auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 September 2022

was 7. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to operate in that capacity.

The trustees' annual report has been approved by the trustees on 8 December 2022 and signed on their behalf by

Peter Pledger

Chair of OCNLR Board of Trustees

Independent auditor's report

To the members of Open College Network London Region

For the year ended 30 September 2022

Opinion

We have audited the financial statements of Open College Network London Region (the 'charitable company') for the year ended 30 September 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 30 September 2022 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
- 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 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 Open College Network London Region'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other

Independent auditor's report

To the members of Open College Network London Region

For the year ended 30 September 2022

information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate 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
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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.

Auditor's 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 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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Independent auditor's report

To the members of Open College Network London Region

For the year ended 30 September 2022

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 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 those matters we are required to state to them in an auditor's 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.

Joanna Pittman FCA (Senior statutory auditor)

16 January 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Open College Network London Region

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2022

	Note	2022 Total £	2021 Total £
Income from:			
Charitable activities	2	1,839,638	1,647,418
Other trading activities		8,250	9,455
Interest receivable		421	704
Total income		1,848,309	1,657,577
Expenditure on:			
Charitable activities	3	1,700,730	1,469,435
Total expenditure		1,700,730	1,469,435
Net income for the year	4	147,579	188,142
Reconciliation of funds:			
Total funds brought forward		695,677	507,535
Total funds carried forward		843,256	695,677

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure is unrestricted.

Open College Network London Region

Balance sheet

Company no. 2876147

As at 30 September 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	9		23,784		22,144
Current assets:					
Debtors	10	362,756		277,065	
Short term deposits		305,432		305,025	
Cash at bank and in hand		503,751		426,354	
			<u>1,171,939</u>	<u>1,008,444</u>	
Liabilities:					
Creditors: amounts falling due within one year	11	(352,472)		(318,103)	
Net current assets			<u>819,468</u>		<u>690,341</u>
Total assets less current liabilities			<u>843,252</u>		<u>712,485</u>
Creditors: amounts falling due after one year	13		-		(16,808)
Total net assets			<u>843,256</u>		<u>695,677</u>
The funds of the charity:	15a				
Unrestricted income funds:					
Designated funds		-		100,000	
General funds		843,256		595,677	
Total unrestricted funds			<u>843,256</u>		<u>695,677</u>
Total charity funds			<u>843,256</u>		<u>695,677</u>

Approved by the trustees on 8 December 2022 and signed on their behalf by:

Lucy Arnold-Courtney
Trustee

Peter Pledger
Trustee

Open College Network London Region

Statement of cash flows

For the year ended 30 September 2022

	Note	2022		2021	
		£	£	£	£
Cash flows from operating activities	16				
Net cash (used in) / provided by operating activities			96,233		250,386
Cash flows from investing activities:					
Dividends, interest and surplus from operating activities		421		704	
Purchase of fixed assets		(18,850)		(2,712)	
Net cash provided by / (used in) investing activities			<u>(18,429)</u>		<u>(2,009)</u>
Change in cash and cash equivalents in the year			77,804		248,377
Cash and cash equivalents at the beginning of the year			<u>731,379</u>		<u>483,002</u>
Cash and cash equivalents at the end of the year			<u><u>809,183</u></u>		<u><u>731,379</u></u>

1 Accounting policies

a) Statutory information

Open College Network London Region is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) is 15 Angel Gate, City Road, London, EC1V 2SF.

b) Basis of preparation

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.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Management has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures & fittings 4 years
- Computer Equipment 3 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

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

1 Accounting policies (continued)

p) Pensions

Teacher's Pension Scheme (TPS)

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £32,817.24 (2021 £43,877).

The TPS is an unfunded multi-employer defined contribution pension scheme governed by the Teachers' Pension Scheme regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report of the TPS was prepared at 31 March 2016 and was published in March 2019. This report confirmed that the employer contribution rate for the TPS would increase from 16.48% to 23.68% although, recognising that teaching establishments work on an academic and not financial year, the Government deferred the implementation of this increase to September 2019. Employers in addition from 1 September 2019 pay a scheme administration levy of 0.08% of pay and will be payable over the remainder of the period to March 2023 to ensure that the level of the notional fund at the next valuation of the scheme is expected to be unaffected by delay.

The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Local Government Pension Scheme (LGPS)

The LGPS is multi-employer defined contribution scheme. It is contracted out of the State Second Pension. The assumption and other data that the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2019
Actuarial method	Prospective benefits
Discount rate	5.3%
Salary scale increases per annum	3.6%
Market value of assets at date of last valuation	£6,053m
Fund Surplus	£481m
Funding Level	109%

The LGPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Total contributions to the scheme during the year were £94,904.65, (2021 £66,193). No additional payments have been required this year to cover the deficit funded, (2020: Nil)

2 Income from charitable activities

	2022	2021
	Total	Total
	£	£
Accreditation and registration income	1,571,178	1,398,095
Units Development income	10,975	24,425
Subscriptions	225,634	207,777
Other service income	31,851	17,121
	<u>1,839,638</u>	<u>1,647,418</u>
Total for charitable activities	<u>1,839,638</u>	<u>1,647,418</u>

Open College Network London Region

Notes to the financial statements

For the year ended 30 September 2022

3 Analysis of expenditure

	Charitable activities £	Governance costs £	2022 Total £	Charitable activities £	Governance costs £	2021 Total £
Staff costs (Note 5)	1,062,363	15,699	1,078,062	916,311	14,540	930,851
Moderators' fees	62,085	-	62,085	63,140	-	63,140
Subscriptions and publications	64,868	-	64,868	69,667	-	69,667
Rents, rates and insurance	131,242	-	131,242	106,947	-	106,947
Telephone, postage and stationery	49,381	-	49,381	41,843	-	41,843
Consultancy	103,316	-	103,316	96,652	-	96,652
Printing and publishing	6,642	-	6,642	7,411	-	7,411
Travel and subsistence	7,579	-	7,579	6,810	-	6,810
Sundry expenses	39,034	-	39,034	3,424	-	3,424
Depreciation	17,210	-	17,210	18,616	-	18,616
Repairs and maintenance	11,728	-	11,728	10,515	-	10,515
Staff training and recruitment	11,589	-	11,589	3,493	-	3,493
Computer management and maintenance	7,414	-	7,414	7,402	-	7,402
Legal and professional	13,425	-	13,425	2,412	-	2,412
Bank charges and interest	2,665	-	2,665	2,832	-	2,832
Publicity and marketing	15,083	-	15,083	6,511	-	6,511
Bad debt provision	3,000	-	3,000	3,000	-	3,000
External verification	48,963	-	48,963	64,650	-	64,650
Access Revalidation	2,255	-	2,255	2,180	-	2,180
Governance costs	-	25,189	25,189	-	21,079	21,079
	1,659,842	40,888	1,700,730	1,433,816	35,619	1,469,435
Governance costs	40,888	(40,888)	-	35,619	(35,619)	-
Total expenditure	1,700,730	-	1,700,730	1,469,435	-	1,469,435

Open College Network London Region

Notes to the financial statements

For the year ended 30 September 2022

4 Net income for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	17,210	18,616
Operating lease rentals:		
Property	91,768	91,768
Auditor's remuneration (excluding VAT):		
Audit	9,525	9,075
Other services	1,175	1,125
	<u>119,678</u>	<u>212,688</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	845,615	743,377
Social security costs	92,384	77,374
Operating costs of defined benefit pension schemes	127,563	110,099
Termination costs	12,500	-
	<u>1,078,062</u>	<u>930,851</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	-	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £188,289 (2021: £168,180).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £225 (2021: £114.60) incurred by 2 (2021: 2) members relating to attendance at meetings of the trustees.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 24 (2021: 21).

Staff are split across the activities of the charitable company as follows (head count basis):

	2022 No.	2021 No.
Chief Executive	2	2
Administration	3	3
Finance	2	2
Information Technology	2	1
Curriculum group	5	5
Quality group	10	8
	24	21
	24	21

7 Related party transactions

A number of trustees hold positions at member organisations which in the year have engaged with OCN London. These include: L. Arnold-Courtney (UAL and City Lit), J Dishman (CU Coventry).

All transactions were on normal commercial terms and were made at arms-length.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	252,631	170,767	423,398
Additions in year	13,482	5,367	18,850
At the end of the year	266,113	176,135	442,248
Depreciation			
At the start of the year	234,298	166,955	401,253
Charge for the year	14,269	2,942	17,210
At the end of the year	248,567	169,896	418,463
Net book value			
At the end of the year	17,546	6,238	23,784
At the start of the year	18,332	3,813	22,145

All of the above assets are used for charitable purposes.

10 Debtors

	2022 £	2021 £
Trade debtors	220,373	166,607
Other debtors	24,647	24,642
Prepayments	117,736	85,816
	<u>362,756</u>	<u>277,065</u>

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	40,690	47,733
Taxation and social security	21,519	19,874
Other creditors	14,420	12,699
Accruals	52,308	62,097
Deferred income (note 12)	223,535	175,700
	<u>352,472</u>	<u>318,103</u>

12 Deferred income

Deferred income comprises of annual subscriptions received in advance

	2022 £	2021 £
Balance at the beginning of the year	175,700	154,168
Amount released to income in the year	(175,700)	(154,168)
Amount deferred in the year	223,535	175,700
	<u>223,535</u>	<u>175,700</u>
Balance at the end of the year	<u>223,535</u>	<u>175,700</u>

13 Creditors: amounts falling due after one year

	2022 £	2021 £
Accruals	-	16,808
	<u>-</u>	<u>16,808</u>

14a Analysis of net assets between funds (current year)

	Designated £	General unrestricted £	Total funds £
Tangible fixed assets	–	23,784	23,784
Net current assets	–	836,281	836,281
Long term liabilities	–	(16,809)	(16,809)
Net assets at 30 September 2022	–	843,256	843,256

14b Analysis of net assets between funds (prior year)

	Designated £	General unrestricted £	Total funds £
Tangible fixed assets	–	22,144	22,144
Net current assets	100,000	573,533	673,533
Long term liabilities	–	–	–
Net assets at 30 September 2021	100,000	595,677	695,677

15a Movements in funds (current year)

	At 1 October 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2022 £
Unrestricted funds					
Designated funds:					
Future Lease cost	100,000	–	–	(100,000)	–
Total designated funds	100,000	–	–	(100,000)	–
General funds	595,677	147,579	–	100,000	843,256
Total unrestricted funds	695,677	147,579	–	–	843,256

15b Movements in funds (prior year)

	At 1 October 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2021 £
Unrestricted funds					
Designated funds:					
Future lease costs	100,000	–	–	–	100,000
Total designated funds	100,000	–	–	–	100,000
General funds	595,677	–	–	–	595,677
Total unrestricted funds	695,677	–	–	–	695,677

Purposes of designated funds

Designated funds of £100,000 has been provided for future lease costs.

16 Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	147,579	188,142
Depreciation charges	17,210	18,616
Interest and other trading income	(421)	(703)
Increase in debtors	(85,696)	27,393
(Decrease)/increase in creditors	17,561	16,938
Net cash (used in) / provided by operating activities	96,233	250,386

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £	2021 £
Less than one year	91,729	91,729
One to five years	-	91,729
	91,729	183,459

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

OPEN COLLEGE NETWORK LONDON REGION

England & Wales - Charity number 1034750

Accounts

Company number: 2876147

Charity number: 1034750

Open College Network London Region

Report and financial statements
For the year ended 30 September 2021

Open College Network London Region (OCNLR)

Contents

For the year ended 30 September 2021

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	13
Statement of financial activities (incorporating an income and expenditure account)	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20

Open College Network London Region (OCNLR)

Reference and administrative information For

the year ended 30 September 2021

Company number 2876147

Charity number 1034750

Registered office and operational address 15 Angel Gate, City Road, London, EC1V 2SF

Country of registration England

Country of incorporation United Kingdom

The company trades under the name OCNLR.

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

L. Arnold-Courtney	Deputy Chair (Quality)
K. Caplin	
J. Dishman	
J. Farmer	
N. Foster	
P. Pledger	
P. Wilson	Chair
N. Rampley	(resigned 10 December 2020)

Key management personnel	Ms Jacqueline Mutter	Chief Executive
	Paul Browning	Deputy Chief Executive
	Omovbera Erhenede	Head of Finance and Company Secretary

Bankers National Westminster Bank Plc
166 Camden High Street, London, NW1 0NW

Solicitors GRAYS SOLICITORS
Duncombe Place, York, YO1 7DY

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 30 September 2021

The trustees present their report and the audited financial statements for the year ended 30 September 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purposes and aims

The charity is a company limited by guarantee and is constituted under a Memorandum and Articles of Association. The Memorandum of Association is dated 19 November 1993 and was amended on 13 January 1994, 26 February 1998 and 17 May 2005. A new Articles of Association was adopted by special resolution on 9 May 2008. Its registered charity number is 1034750 and its registered company number is 2876147. The charity trades under the name OCN London.

Open College Network London Region (OCNLR) is an awarding organisation (AO) approved by the Office of Qualifications and Examinations Regulation (OFQUAL) to offer national qualifications. As an Access Validating Agency (AVA), OCNLR is licensed by the Quality Assurance Agency for Higher Education (QAA) to validate and award certificates on QAA-recognised Access to Higher Education Diplomas. The Board of Trustees is ultimately responsible for the operation of both licences.

OCNLR is a membership network and is governed by a Board of Trustees drawn from its members and from related organisations with an interest in furthering OCNLR's aims. None of the trustees receive remuneration or other benefit from their work with the charity.

OBJECTIVES AND ACTIVITIES

OCNLR exists to support learning and widen participation through achievement of credit-based qualifications, regulated and unregulated. OCNLR aims are the advancement of the education of the public in one or more of the following ways:

- By promoting and increasing participation in education and training, particularly by those persons who have benefited least from existing provision;
- By being an open and inclusive organisation, where diversity is promoted, and discrimination eliminated. Our commitment is to continue to ensure that our services meet the needs of all our diverse customers. It ensures that equality, diversity and human rights are integrated into the way we plan, develop and deliver our services, covering our internal functions as an employer and our external operations as a provider of qualifications and accreditation services;
- By improving the quality and flexibility of education provision for the public benefit, primarily for educationally disadvantaged persons;
- By facilitating progression for learners by enabling them to achieve Open College Network (OCN) credits and to accumulate and, where appropriate, to transfer these towards a qualification;

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 30 September 2021

- By improving access to higher education by carrying on and conducting the work of the accreditation system in London and elsewhere and conducting the work of Open College Network London Region as an AVA under licence from the Quality Assurance Agency for Higher Education (QAA);
- By improving recognition of education qualifications by issuing nationally recognised Access to HE Diplomas and credits for learner achievement to be awarded independently of the providing organisations.

PUBLIC BENEFIT

In setting its objectives for the year the Board of Trustees has regard to both the Charity Commission's general guidance on public benefit and the mission of OCNLR that supports education for learners who have benefitted least from existing provision and can be encouraged to progress to achieve their potential. The activities currently carried out for the public benefit by the charity can be broadly categorised into the following areas:

- **Development of products and services** for member organisations to use for educational, training and assessment purposes.
- **Registration and certification** of learners.
- **Support for members** to confirm centre approval and the offer of coherent curriculum provision with quality assured confirmation of the achievement of credit.
- **Retention of licences** to ensure continuity of the operation on behalf of member organisations.

The majority of the membership are not-for-profit organisations, delivering education and training for adults. Many of them target the educationally disadvantaged which is critical to supporting OCNLR to achieve its aims. A significant number of member centres, namely those in the traditional further and adult education sectors, are eligible to access public funding via the Education and Skills Funding Agency (ESFA) for their delivery of our qualifications.

The outcomes of these activities for 2020–21 are identified in the following sections.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on education and are undertaken to further OCNLR's charitable purposes for the public benefit.

OCNLR acts to accredit courses and develop regulated qualifications in partnership with its member centres, register learners on those courses and qualifications, confirm the learners' achievement of credits and qualifications through an external quality assurance process and then to certificate those achievements. In many cases these certificates are the first tangible evidence of learning and achievement those learners will have received.

OCNLR is not directly involved with the delivery of learning; it acts to formally recognise a centre's fitness to provide quality assured learning programmes that may consist of its qualifications (regulated) or accredited courses (unregulated). In each case OCNLR is concerned with confirming that the offer is appropriate and coherent at the curriculum planning stage and then is quality assured to ensure comparability of standards and to safeguard the learner experience.

Practically our aims are pursued beyond the core functions of the organisation where we seek to foster an understanding and an expansion of the benefits of accreditation.

In 2020–21 learner registrations on our national regulated qualifications and Access to HE Diploma courses were above projections despite further disruption during the year as a result of the COVID 19 pandemic. The transition that many centres made to remote teaching and assessment during the previous year enabled them to continue with delivery of our qualifications and accredited courses during the winter 2020–21 lockdown and the subsequent restrictions which continued for the remainder of the academic year.

The maximum number of organisations in membership throughout the reporting period was 327 plus 8 associate members (those organisations which do not offer OCNLR accredited educational programmes but want to support OCNLR aims). There was an increase in new members, including large further education colleges, and a small number of resignations over the year, almost all of which were centres that had been inactive.

There were healthy registrations on the ESOL qualifications and a growing demand for the newly developed Essential Digital Skills qualifications (EDSQs) which were approved during the year by Ofqual following a rigorous evaluation process. This demand for the EDSQs has continued to grow into the new academic year, showing a positive outcome on the decision to invest in their development.

As a result of the ongoing pandemic, supporting centres to continue to deliver our qualifications and courses through any further disruption, including the development of materials to facilitate teaching and assessment, the implementation of the contingency regulatory frameworks put in

Trustees' annual report

For the year ended 30 September 2021

place by both regulators, the development of EDSQs and maintaining financial sustainability, all underpinned OCNLR's operational priorities for 2020–21.

Achievements against 2020–21 strategic priorities

- Continued to work with centres to support them in the online/blended delivery of the qualifications and accredited courses to their learners, anticipating and responding to needs through regular video meetings and webinars.
- Continued to promote the Endorsed Training Scheme as an external quality assurance mechanism for non-accredited learning for in-house training.
- Engaged with centres to identify qualifications and resources that best suit the needs of their learners to boost employability.
- Expanded the non-regulated provision for centres outside the publicly funded sector in anticipation of future changes to public funding of qualifications.
- Completed the Ofqual evaluation process for the Essential Digital Skills qualifications in line with DfE specifications and carried out a sustained marketing campaign, including regular webinars, to promote them to centres across the country as a means of addressing the nationally identified digital skills gaps.
- Invested further in the development of free materials in electronic form to support centres in the remote delivery and assessment of OCN London qualifications.
- Approved additional Access to HE Diploma courses for delivery from September 2021 and developed/approved new Access to HE Diploma titles.
- Engaged with Linking London, including delivering updates and attending Board meetings, raising awareness of the value of Access to HE Diploma and being their first awarding organisation member to sign up to their 'Green Pledge' to support centres in greening the curriculum.
- Awarded bursaries to two Access to HE Diploma learners for outstanding academic achievement.
- Successfully implemented all processes, adaptations and other requirements of the Ofqual and QAA contingency Regulatory Frameworks providing regular support for centres, particularly where adaptations were required, and investing additional resource in external quality assurance. This ensured all learners registered on Access to HE Diplomas and Ofqual regulated qualifications were able to achieve their qualifications, where applicable.
- Maintained an excellent level of service to our members throughout the year through remote operation.
- Access to HE Diplomas were issued electronically on a national release date set by QAA as part of their contingency regulatory measures, enabling successful learners to secure their university places. National qualifications were issued to all learners who had achieved them to enable them to progress to the next level of learning or to employment.

Beneficiaries of our services

Learner registration and certification

In 2020–21 there was an increase in the number of learners registered on the Ofqual regulated national qualifications, Access to HE Diploma qualifications and accredited courses. There were 3008 learners registered on Access to HE courses in 2020–21 of which 1985 achieved the full Diploma (65.99%). This represented a decrease on the previous year's achievement. The results were submitted to UCAS by the July deadline for all learners, except for those who had appealed. The learners who had achieved the Access to HE Diplomas received their results on the QAA national results day. Hence, they were able to confirm their acceptance of higher education places in a timely fashion.

Sponsorship

As part of its commitment to adult learners OCNLR sponsored the Keith Fletcher Access to HE Learner Awards and Michael Sargent Access to HE Bursary Awards were awarded to two Access to HE Diploma learners in recognition of their outstanding academic achievement. Both learners had overcome the particularly challenging circumstances and barriers to learning in order to achieve their Access to HE Diplomas.

Financial review

OCNLR reported a £188,142 surplus on a turnover of £1,657,577 after a year in which trustees had set a surplus budget of £12,000.

The key sources of income continue to be registration and certification of learners on qualifications developed by the charity, accredited courses and annual fees charged to the approved centres for delivering the qualifications. The income from qualifications increased by 20% on the 2019–20 outturn and exceeded budget, despite ongoing circumstances brought about by the pandemic. The increase indicates ongoing growth in Ofqual qualifications, with considerable numbers of registrations on small health and wellbeing qualifications, possibly reflective of the challenges and impact of the current context. There was also an increase in take-up of the lower level vocationally related qualifications and ESOL qualifications, all of which are intended to meet the needs of learners who require a foundation of learning before they are ready to progress to higher levels of learning and into better employment. There was considerable growth in accredited (unregulated) courses and income from this area of work increased by 30%. The 7% growth in income from Access to HE registrations, largely as a result of an increase in registrations on nursing and health related Diplomas, had not been anticipated so exceeded budget.

Trustees continued to monitor income carefully and received information on major trends on a quarterly basis. OCNLR has good financial management with tight control of cash and debtors.

Principal risks and uncertainties

The Board of Trustees takes responsibility for managing risk. They assess the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that appropriate systems and procedures are in place to mitigate those risks. The ongoing pandemic continued to present risks but of a less dramatic nature and mitigations were already in place to support any risks to business continuity. These included continuing to raise awareness of qualifications/products suitable for online delivery, investing resource in the development of materials to support remote delivery and allocating additional resource to support the implementation of both the Ofqual and QAA contingency regulatory frameworks and the quality assurance processes that were required to be able to certificate learners. The drop in enrolments on our qualifications and courses which had also been identified as a potential risk did not materialise.

External quality assurance and curriculum support continued through remote means and the use of video meetings to provide additional support, as well as webinars, have been very well-received and appreciated by centres. The staff team have worked successfully from home through our cloud-based systems and although the office reopened before and after the winter lockdown, the majority of staff have preferred to remain working remotely. The productivity of the organisation as a whole does not appear to have been detrimentally affected by these ongoing arrangements and the health and well-being of staff has been monitored through one to one and team meetings.

The uncertainties continue for the coming year, particularly for the first term as we move into winter, and both regulators are putting in place amended contingency frameworks which allow for adaptation of content and assessment approaches if required. There has been an increase in courses put in place for the new academic year which suggests centres are continuing to successfully manage online and blended learning models. The risk register and controls continue to be closely managed through weekly meetings.

Reserves policy and going concern

In accordance with its stated policy, OCNLR holds reserves to cover 3 months' expenditure in order to provide the necessary resources should the company need to be wound up. The reserves would be needed to meet liabilities relating to learners, members, staff and lease costs. At the end of 2019-20 financial year, the total unrestricted funds were £507,535. The reserves at 2020-21 year-end are £695,677. The calculated costs of winding up the company based on the current staff complement is £534,000.

The money held by OCNLR in reserves is invested prudently with UK high street banks.

Remuneration policy

OCNLR is committed to ensuring a proper balance between (i) paying our staff and others who work for us fairly so that we attract and retain the best people for the job and (ii) careful management of our charity funds. In so doing we ensure the greatest effectiveness in delivering our charitable objectives and meeting the needs of our beneficiaries. Salaries for all posts, other than the Chief Executive, comprise a band made up of a series of evenly distributed salary points. The pay of the Chief Executive comprises a single fixed salary point and is set by the Remuneration Committee. All staff are entitled to receive a contribution towards either the Teachers' Pension or the Local Government Pension Scheme. They also receive a small contribution to a personal learning course of their choice.

In June each year, the trustees determine whether the salary points for all staff should be adjusted for the forthcoming financial year beginning 1st October, to reflect changes in the cost of living. The trustees' considerations begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They then determine whether this is appropriate in the context of:

- (i) the charity's financial situation;
- (ii) the charity's performance;
- (iii) cost of living adjustments made in recent years;
- (iv) pay reviews elsewhere in the sector.

Cost of living adjustments are applied equally to all staff.

For OCNLR to run successfully, a wide range of skills are required, and it is important to pay staff appropriately to ensure that we can recruit people with the right skills. Retention of staff is also important so as to benefit from their accumulated knowledge and skills in what is a niche sector. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. OCNLR staff pay scales are set with this in mind.

Fundraising

OCNLR does not engage in public fundraising and does not use professional fundraisers or commercial participators. OCNLR nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and OCNLR received no complaints relating to its fundraising practice.

Plans for the future

The financial outlook for OCNLR in 2021–22 is positive. The work invested in qualification and materials development and promotion this year has led to additional courses in place for 2021–22 and new centres have joined in order to deliver qualifications in 2021–22, including several large FE colleges. The impact of the DfE's decision to remove funding from all pre-existing low level digital skills qualifications as of 1st August 2021 has been mitigated by the sustained promotion and subsequent take-up of the new Essential Digital Skills qualifications which have been developed in line with DfE specifications and attract ESFA adult entitlement funding. The ESFA funding for other OCN London qualifications is secure for 2021–22.

The short to medium term objectives are as follows:

- Continue to work with centres to support them in the online/blended delivery of the qualifications and accredited courses to their learners, anticipating and responding to needs.
- Put in place all processes, adaptations and other requirements for implementing the Ofqual and QAA contingency Regulatory Frameworks.
- Engage with centres to identify qualifications and resources that best suit the needs of their learners.
- Continue to promote and support the delivery of the EDSQs and ESOL qualifications to support adult learners to progress to further learning and into better and sustainable employment.
- Continue to build relationships with devolved authorities, trade bodies and other external stakeholders to raise awareness of OCN London's role in widening participation.
- Expand work with centres that are not reliant on public funding.
- Maintain excellence in quality and customer support.
- Maintain financial sustainability.

The current CEO is retiring in early 2022 after 8 years in post and 26 years in the organisation. The retirement had been discussed and planned with the Chair, and the recruitment process was co-ordinated and led by the trustees. A successor has been appointed to start in early 2022 with a full induction and transition co-ordinated by the Chair.

Structure, governance and management

New trustees are identified by the CEO and trustees to address gaps in skills, expertise and/or representation of the breadth of membership on the Board. They are approached by the Chair or CEO and if interested, sent an information pack and a request for CV. The CVs are considered by the Chair, Deputy Chair Quality and CEO and applicants are called to interview. If the CV and interview evidence their suitability, they are confirmed as co-opted until such time that their appointment is confirmed by the membership.

New trustees are provided with a welcome pack that includes information about the organisation and its governance (including Memorandum & Articles of Association), contextual information, Charity Commission Guidance on being a Trustee and forms to complete including any conflict of

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 30 September 2021

interests for recording on the Register of Interests and Declaration of Eligibility and Suitability to meet the Ofqual requirements for senior officers.

The induction process follows and includes a tour of the organisation, meeting the staff and meeting with the Chief Executive for further information about their responsibilities in relation to governance of OCNLR, and a question and answer session.

The trustees shall be confirmed as appointed by members at general meetings from time to time. The members shall consider the benefits of appointing a person who, through occupation, employment or otherwise is able, by virtue of her/his personal or professional qualifications, to contribute to the pursuit of the objects or the management of the Charity.

The trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee provided that the appointment does not cause the number of trustees to exceed any number fixed by or in accordance with the articles as the maximum number of trustees. A trustee so appointed shall hold office only until the next following general meeting. If not reappointed at such general meeting, s/he shall vacate office at the conclusion thereof.

OCNLR employs a full-time CEO, who is responsible for the day to day management of the organization, supported by her Deputy Chief Executive. Staffing matters are delegated to the CEO subject to the guidance of the Board of Trustees. The Board of Trustees delegates some responsibilities to a Quality and Standards Committee but retains overall responsibility for all strategic issues and regulatory licenses. The Chair of the Board is responsible for monitoring and reviewing the performance of the Chief Executive.

The organisation is a charitable company limited by guarantee, incorporated on 19 November 1993 and registered as a charity on 10 March 1994.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to accounts.

Related parties and relationships with other organisations

OCNLR continues to work in an informal partnership with Laser Learning Awards in line with our shared mission, values and aims. The objective of the collaboration is to extend the range of qualifications available to its beneficiaries, share new developments that will benefit beneficiaries and share good practice in assessment and quality assurance to enhance the learning experience for beneficiaries.

Funds held as custodian trustee on behalf of others

OCNLR does not hold funds as a custodian nor acted as a custodian trustee.

Statement of responsibilities of the trustees

The trustees (who are also directors of OCNLR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs 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 these 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 auditor is unaware
- 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 auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 September 2021

Open College Network London Region (OCNLR)

Trustees' annual report

For the year ended 30 September 2021

was 7. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to operate in that capacity.

The trustees' annual report has been approved by the trustees on 9 December 2021 and signed on their behalf by

Peter Wilson

Chair of OCNLR Board of Trustees

Independent auditor's report

To the members of

Open College Network London Region (OCNLR)

Opinion

We have audited the financial statements of Open College Network London Region (the 'charitable company') for the year ended 30 September 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 30 September 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
- 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 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 Open College Network London Region'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.

Independent auditor's report

To the members of

Open College Network London Region (OCNLR)

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate 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
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

Open College Network London Region (OCNLR)

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 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.

Auditor's 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 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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

Open College Network London Region (OCNLR)

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 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 those matters we are required to state to them in an auditor's 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.

Joanna Pittman FCA (Senior statutory auditor)

31 January 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Open College Network London Region

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2021

	Note	2021 Total £	2020 Total £
Income from:			
Charitable activities	2	1,647,418	1,403,358
Other trading activities		9,455	41,221
Interest receivable		704	2,902
Total income		1,657,577	1,447,481
Expenditure on:			
Charitable activities	3	1,469,435	1,397,649
Total expenditure		1,469,435	1,397,649
Net income for the year	4	188,142	49,833
Reconciliation of funds:			
Total funds brought forward		507,535	457,702
Total funds carried forward		695,677	507,535

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure is unrestricted.

Open College Network London Region

Balance sheet

Company no. 2876147

As at 30 September 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	9		22,144		38,048
Current assets:					
Debtors	10	277,065		249,672	
Short term deposits		305,025		200,000	
Cash at bank and in hand		426,354		320,979	
		<u>1,008,444</u>		<u>770,651</u>	
Liabilities:					
Creditors: amounts falling due within one year	11	(318,103)		(301,165)	
Net current assets			<u>690,341</u>		<u>469,486</u>
Total assets less current liabilities			<u>712,485</u>		<u>507,535</u>
Creditors: amounts falling due after one year	13		(16,808)		-
Total net assets			<u><u>695,677</u></u>		<u><u>507,535</u></u>
The funds of the charity:	15a				
Unrestricted income funds:					
Designated funds		100,000		100,000	
General funds		595,677		407,535	
Total unrestricted funds			<u>695,677</u>		<u>507,535</u>
Total charity funds			<u><u>695,677</u></u>		<u><u>507,535</u></u>

Approved by the trustees on 9 December 2021 and signed on their behalf by:

Peter Wilson
Trustee

Peter Pledger
Trustee

Open College Network London Region

Statement of cash flows

For the year ended 30 September 2021

	Note	2021	2020
		£	£
Cash flows from operating activities	16		
Net cash (used in) / provided by operating activities		250,386	164,390
Cash flows from investing activities:			
Dividends, interest and surplus from operating activities		704	14,737
Purchase of fixed assets		(2,712)	(900)
Net cash provided by / (used in) investing activities		<u>(2,009)</u>	<u>13,837</u>
Change in cash and cash equivalents in the year		248,377	178,228
Cash and cash equivalents at the beginning of the year		<u>483,002</u>	<u>342,751</u>
Cash and cash equivalents at the end of the year		<u><u>731,379</u></u>	<u><u>520,979</u></u>

1 Accounting policies

a) Statutory information

Open College Network London Region is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) is 15 Angel Gate, City Road, London, EC1V 2SF.

b) Basis of preparation

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.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Management has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures & fittings 4 years
- Computer Equipment 3 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

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

1 Accounting policies (continued)

p) Pensions

Teacher's Pension Scheme (TPS)

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £43,877, (2020 £48,340).

The TPS is an unfunded multi-employer defined contribution pension scheme governed by the Teachers' Pension Scheme regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report of the TPS was prepared at 31 March 2016 and was published in March 2019. This report confirmed that the employer contribution rate for the TPS would increase from 16.48% to 23.68% although, recognising that teaching establishments work on an academic and not financial year, the Government deferred the implementation of this increase to September 2019. Employers in addition from 1 September 2019 pay a scheme administration levy of 0.08% of pay and will be payable over the remainder of the period to March 2023 to ensure that the level of the notional fund at the next valuation of the scheme is expected to be unaffected by delay.

The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Local Government Pension Scheme (LGPS)

The LGPS is multi-employer defined contribution scheme. It is contracted out of the State Second Pension. The assumption and other data that the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2019
Actuarial method	Prospective benefits
Discount rate	5.3%
Salary scale increases per annum	3.6%
Market value of assets at date of last valuation	£6,053m
Fund Surplus	£481m
Funding Level	109%

The LGPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Total contributions to the scheme during the year were £66,193, (2020 £52,555). No additional payments have been required this year to cover the deficit funded, (2019: Nil)

2 Income from charitable activities

	2021 Total £	2020 Total £
Accreditation and registration income	1,398,095	1,182,777
Units Development income	24,425	19,290
Subscriptions	207,777	190,290
Other service income	17,121	11,002
Total for charitable activities	<u>1,647,418</u>	<u>1,403,358</u>

Open College Network London Region

Notes to the financial statements

For the year ended 30 September 2021

3 Analysis of expenditure

	Charitable activities £	Governance costs £	2021 Total £	Charitable activities £	Governance costs £	2020 Total £
Staff costs (Note 5)	916,311	14,540	930,851	888,761	14,540	903,301
Moderators' fees	63,140	-	63,140	55,767	-	55,767
Subscriptions and publications	69,667	-	69,667	58,657	-	58,657
Rents, rates and insurance	106,947	-	106,947	115,094	-	115,094
Telephone, postage and stationery	41,843	-	41,843	43,944	-	43,944
Consultancy	96,652	-	96,652	69,496	-	69,496
Printing and publishing	7,411	-	7,411	2,856	-	2,856
Travel and subsistence	6,810	-	6,810	8,113	-	8,113
Sundry expenses	3,424	-	3,424	6,195	-	6,195
Depreciation	18,616	-	18,616	18,935	-	18,935
Repairs and maintenance	10,515	-	10,515	26,180	-	26,180
Staff training and recruitment	3,493	-	3,493	641	-	641
Computer management and maintenance	7,402	-	7,402	6,706	-	6,706
Legal and professional	2,412	-	2,412	4,381	-	4,381
Bank charges and interest	2,832	-	2,832	2,629	-	2,629
Publicity and marketing	6,511	-	6,511	6,306	-	6,306
Bad debt provision	3,000	-	3,000	1,000	-	1,000
External verification	64,650	-	64,650	43,097	-	43,097
Access Revalidation	2,180	-	2,180	2,132	-	2,132
Governance costs		21,079	21,079	-	22,219	22,219
	1,433,816	35,619	1,469,435	1,360,890	36,759	1,397,648
Governance costs	35,619	(35,619)	-	36,759	(36,759)	-
Total expenditure	1,469,435	-	1,469,435	1,397,649	-	1,397,648

4 Net income for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	18,616	18,935
Operating lease rentals:		
Property	91,768	103,239
Auditor's remuneration (excluding VAT):		
Audit	9,075	8,900
Other services	1,125	1,100
	18,616	18,935
	91,768	103,239
	9,075	8,900
	1,125	1,100

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	743,377	730,609
Social security costs	77,374	71,798
Operating costs of defined benefit pension schemes	110,099	100,895
	743,377	730,609
	77,374	71,798
	110,099	100,895
	930,851	903,301

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £168,180 (2020: £165,980).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £114.60 (2020: £36) incurred by 2 (2020: 1) members relating to attendance at meetings of the trustees.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 21 (2020: 21).

Staff are split across the activities of the charitable company as follows (head count basis):

	2021 No.	2020 No.
Chief Executive	2	2
Administration	3	3
Finance	2	2
Information Technology	1	1
Curriculum group	5	5
Quality group	8	8
	21	21
	21	21

7 Related party transactions

A number of trustees hold positions at member organisations which in the year have engaged with OCN London. These include: L. Arnold (UAL), J Dishman (CU Coventry).

All transactions were on normal commercial terms and were made at arms-length.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	252,630	168,055	420,685
Additions in year	-	2,712	2,712
	252,630	170,767	423,397
Depreciation			
At the start of the year	221,265	161,372	382,637
Charge for the year	13,033	5,584	18,616
	234,298	166,955	401,253
Net book value			
At the end of the year	18,332	3,812	22,144
At the start of the year	31,365	6,683	38,048

All of the above assets are used for charitable purposes.

10 Debtors	2021 £	2020 £
Trade debtors	166,607	169,720
Other debtors	24,642	24,641
Prepayments	85,816	55,311
	<u>277,065</u>	<u>249,672</u>
11 Creditors: amounts falling due within one year	2021 £	2020 £
Amounts due under finance leases	–	5,511
Trade creditors	47,733	72,001
Taxation and social security	19,874	21,546
Other creditors	12,699	11,744
Accruals	62,097	36,194
Deferred income (note 12)	175,700	154,168
	<u>318,103</u>	<u>301,165</u>
12 Deferred income		
Deferred income comprises of annual subscriptions received in advance		
	2021 £	2020 £
Balance at the beginning of the year	154,168	165,996
Amount released to income in the year	(154,168)	(165,996)
Amount deferred in the year	175,700	154,168
	<u>175,700</u>	<u>154,168</u>
Balance at the end of the year	<u>175,700</u>	<u>154,168</u>
13 Creditors: amounts falling due after one year	2021 £	2020 £
Accruals	16,808	–
	<u>16,808</u>	<u>–</u>

14a Analysis of net assets between funds (current year)

	Designated £	General unrestricted £	Total funds £
Tangible fixed assets	–	22,144	22,144
Net current assets	100,000	573,533	673,533
Long term liabilities	–	–	–
Net assets at 30 September 2021	100,000	595,677	695,677

14b Analysis of net assets between funds (prior year)

	Designated £	General unrestricted £	Total funds £
Tangible fixed assets	–	38,048	38,048
Net current assets	100,000	369,487	469,487
Long term liabilities	–	–	–
Net assets at 30 September 2020	100,000	407,535	507,535

15a Movements in funds (current year)

	At 1 October 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2021 £
Unrestricted funds					
Designated funds:					
Future Lease cost	100,000	–	–	–	100,000
Total designated funds	100,000	–	–	–	100,000
General funds	595,677	–	–	–	595,677
Total unrestricted funds	695,677	–	–	–	695,677

15b Movements in funds (prior year)

	At 1 October 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2020 £
Unrestricted funds					
Designated funds:					
Future lease costs	100,000	–	–	–	100,000
Total designated funds	100,000	–	–	–	100,000
General funds	357,702	1,447,481	(1,397,649)	–	407,535
Total unrestricted funds	457,702	1,447,481	(1,397,649)	–	507,535

Purposes of designated funds

Designated funds of £100,000 has been provided for future lease costs.

16 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	188,142	44,123
Depreciation charges	18,616	18,935
Interest and other trading income	(704)	(14,737)
Increase in debtors	27,393	73,146
(Decrease)/increase in creditors	16,938	37,214
Net cash (used in) / provided by operating activities	250,386	158,681

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	2021 £	2020 £
Less than one year	91,729	91,729
One to five years	91,729	183,459
	183,459	275,188

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.