

**SKILLS AND EDUCATION GROUP ACCESS
(FORMERLY OPEN COLLEGE NETWORK YORKSHIRE AND HUMBER REGION)**

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

SKILLS AND EDUCATION GROUP ACCESS

(A company limited by guarantee)

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SKILLS AND EDUCATION GROUP ACCESS

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	J Austin (resigned 12 February 2021) G M Alton OBE P M Bloor Y Y Mellor, Chair (from 14 October 2020) Skills and Education Group Limited A G Stott, Chair (until 14 October 2020) (resigned 14 October 2020) A C Birch (appointed 26 January 2021) R Webber-Jones
Company registered number	03773914
Charity registered number	1088839
Registered office	Robins Wood House Robins Wood Road Nottingham Nottinghamshire NG8 3NH
Company secretary	S N Feneley-Lamb
Chief executive officer	P A Eeles
Independent auditor	BHP LLP 2 Rutland Park Sheffield S10 2PD
Bankers	Natwest 536 Valley Road Nottingham NG5 1FL Unity Trust 4 Brindley Place Birmingham B1 2JB
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also Directors for the purposes of company law) present their annual report together with the audited financial statements of the Charity for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (issued in October 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Charity provides a range of service in furtherance of its charitable objective to support "the advancement of the education, learning and training of young people and adults in Yorkshire and elsewhere". Qualifications and services are aligned with the needs of communities, and groups within these, that have not benefited from traditional or formal educational opportunities, including:

- learners working at lower educational levels
- learning with few formal qualifications
- learning based in offender institutions
- young learners who are not in employment or training
- the unemployed
- learning looking for an opportunity to progress into higher education
- people working in industries that have not traditionally valued formal qualifications

The strategic and business objectives of the Charity support those of the wider Group-structure, but maintain a focus on its own objectives. Trustees have paid due regard guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

The Charity's strategic aims adopted in support of these objectives are identified by an annual strategic planning process culminating in a five year strategic plan agreed and monitored by the Board of Trustees and revised as necessary. Trustees have due regard to guidance issued by the Charities Commission on public benefit in deciding what activities the Charity should undertake.

Trustees agree Key Performance Indicators (KPIs) with the Executive Team, monitoring and measuring performance against these:

- customer satisfaction
- staff satisfaction
- level of turnover
- level of surplus as a % of turnover
- volume of business by key account centres

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Achievements and performance delivering public benefit

a. Main achievements of the Charity

The first half of 2019/20 performed strongly with activity and income performing above budget expectations. The opportunity to acquire another awarding organisation presented itself at the start of the year and good progress was made with assessing the opportunity, the benefit that this may have to charity and its wider membership and beneficiaries. Progress was also made with financial and legal due diligence.

The Covid-19 pandemic and the introduction of nationwide restrictions in March 2020 changed the operational management of the charity. All staff successfully moved to homeworking and were quickly set-up with IT and telephone hardware/systems enabling them to adopt a "business as usual" approach. However, as the extent of the restriction measures and the likely duration of these became clearer, the decision was taken to access support from the Coronavirus Job Retention Scheme (CJRS) and 70% of staff were placed on furlough. The remaining staff base formed a "core team" and took responsibility for the on-going management of the charity, its services and products. Staff members were brought out of furlough on a gradual basis and according to the growing needs of the charity. All staff had returned to work, on at least a flexible basis, by 1 September 2020.

CJRS was accessed as a way to help preserve the charity and its staff. Although some restructuring took place in the summer of 2020 resulting in a small number of redundancies, the charity emerged from the first lockdown in a good financial position and with the certainty of long future. End-of-year financial performance, which had been reforecast at the start of the March 2020 lockdown, exceeded expectations. The charity took the proactive approach of "learning from lockdown" by examining what worked well, what did not work as well and what working practices could be changed to adapt the new environment post-Covid 19.

Key achievements and performance across the different services and activities are identified below:

Awarding Services

Access to HE activity enables individuals without the necessary qualifications to progress to study at university and by doing so improve their employment opportunities and social mobility. Work carried out in 2019/20 has seen a new college join Certa Access in 2021 and registrations should commence on a new Diploma in September 2021.

Membership and Communications

The Relationship Management Team played a key role in supporting customers and strengthening relationships during the lockdown period. The team also underwent a restructure, as part of a series of changes across the Group in Summer 2020.

Websites and external, customer facing platforms were continually reviewed. The ABC Awards and Certa Awards websites were combined into one, additional updates were also made to the main Group website.

Operations and Project Activities

A focus of the Directorate was on supporting the move to home working and on ensuring that the infrastructure and resources were in place. This move was successful; staff have been able to access all applications, folders and files and have been able to keep in contact with each other and customers through the Voice Over Internet Protocol (VOIP) telephone system. MS Teams and Zoom were increasingly used for meetings, both internal and with customers, and to support professional development and information webinars. Board of Trustees meetings, by agreement, also successfully moved to the Zoom platform.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

a. Going concern

Trustees have worked closely with the Executive Leadership Team to develop strategic and operational plans that not only mitigate the impact of Covid-19 but also supported the sustained growth of the Group and its subsidiary charities. Such plans included the development of new products and services as well as the potential for acquisition where this complemented the charitable objectives of the Charity and ensured long-term financial growth and viability.

The opportunity to acquire BIIAB Qualifications Limited (BIIAB) presented itself at the start of the financial year. Trustees confirmed their support for progressing the opportunity to the financial and legal due diligence stage before making any final decision on whether to proceed with the purchase or not. The Covid-19 pandemic had an impact on the initial purchase timeline, but a benefit of this was that time could be taken to more fully understand the business to be acquired and how this may be affected by Covid-19 in the short, medium and long-term. Recognising that the BIIAB business (and the sector it provided services to) was only likely to be impacted on in the short term, Trustees agreed that there were medium to long-term benefits to the Group.

In agreeing the purchase, Trustees were keen to protect the financial health of the Group and its subsidiary charities. A purchase agreement was, therefore, put into place providing a model supporting a) minimal cash payment on the date of purchase; and, b) staged purchase payments linked to profitability over a five-year period. As part of going concern considerations, Trustees noted that this model ensured that:

- with only a limited call on cash at the point of acquisition, cash levels were protected
- the reserves policy to build and maintain reserves to meet day-to-day business needs in the event of reduced income could be met
- budget forecasts suggests that future purchase payments could be met by BIIAB surplus negating the need to draw on Group cash or reserves
- there would be residual surplus (after agreed staged purchase payments) for reinvestment into the business and/or to support Group reserve levels
- a linking of purchase payments to BIIAB surplus means that such payments are affordable and minimised financial risk and impact on cash/cash-flow.

Trustees have also looked at “going concern” in the context of Covid-19, the impact of this and the ways which any impact can be mitigated. Trustees remain confident that the Charity has the resilience to adapt and develop its strategic and operational business plans to meet the needs of its beneficiaries and to find new ways of working.

This confidence is based on:

- An agile strategic approach that is responsive to external factors
- Accelerating the development and introduction e-learning applications and other technologies to support the launch of new products and services
- The prudent use of the CJRS in 2019/20 to protect the workforce and retain the necessary skills and expertise for the longer term
- Detailed analysis of income and expenditure linked to realistic activity projections that are underpinned by a positive cash flow
- The acquisition of BIIAB into the Group, the expansion of the range of qualifications, end-point assessments, products and services and the opportunity to engage a wide and more diverse customer base

Based on this work, trustees have a continuing reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Consequently, the trustees continue to adopt the going

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Financial review (continued)

concern basis of accounts in preparing the financial statements. Further details on the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific purpose should be maintained at a level necessary to provide a contingency to support day-to-day business activities in the event of reduced income and provide a strategic fund to develop and grow the Charity. Trustees also wish to build reserves to fulfil a Group-wide objective to support social mobility.

In line with best practice guidance, Trustees review the reserves policy each year and confirm that this level of reserve has been maintained.

It is the Charity's policy to work to building and maintaining reserves to:

- support the short, medium and long-term objectives of the Charity and its subsidiary charities
- re-invest any surplus funds to support, develop and expand the delivery of high-quality services
- re-invest any surplus funds to support activities that support social mobility and provide a public benefit
- maintain sufficient reserves that are readily realisable to sustain operations as and when required
- cover deficits, when arising, from general reserves
- mitigate the risks of unforeseen challenges, emergencies or other unexpected requirement for funds
- maintain designated funds that recognise funds that are to be used for a specific purpose
- cover statutory obligations to close down and wind-up the charitable Charity's affairs in an orderly manner, if and when required.

Total funds at the end of the year which are all unrestricted were £53,148 (2019: £196,145) after taking into account a pension reserve of £907,000 (2019: £756,000). Free reserves at the end of the year are £280,864, which is in line with the reserves policy. The reserves policy is set at group level and more details on the policy are available in the Skills and Education Group accounts.

c. Financial performance and position

The Charity remains in a financially healthy position and continues to meet its agreed financial targets. The Charity achieved a surplus of £7,003 before actuarial losses of £150,000. (2019: £8,700 surplus before actuarial losses of £290,000).

Total income was £330,643 (2019: £330,244). Total expenditure was £323,640 (2019: £321,544). The primary cost to the Charity are salaries and associated costs. The charity benefited from CJRS grants which protected jobs across the Groups and helped support the charity through the early months of the pandemic.

Net assets for the year are £53,148 (2019: £196,145).

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Financial review (continued)

d. Risk management

Trustees remain aware of the educational and political environment in which the Charity operates and recognise, in particular, the challenges facing providers in the further education sector.

Key risks to the Charity are:

- A fast-changing political environment that has an impact on education policy and funding to support this
- Regulatory changes and a failure to respond to these in the way that needed to ensure continuing compliance
- Failure to appropriately manage and store personal data leading to a data breach under the General Data Protections regulations

Trustees are satisfied that the systems and review process are in place to mitigate and manage the risks. Strategic risks are managed and monitored through risk registers; one for each of the charities within the charitable group. Risk registers are reviewed and updated by the Executive Leadership Team on a quarterly basis prior to a review by Trustees.

Risk registers are rated on a weighted likelihood and impact scale based on Charity Commission guidance.

A Covid 19 Risk Assessment was carried out in August 2020 prior to the office fully re-opening for all staff after the first national lockdown. The Risk Assessment identifies the control measures and actions need to ensure compliance with restriction measures and to ensure a safe working environment. The Risk Assessment is reviewed on a monthly basis and/or when there are changes to the restrictions put into place by the Government.

Structure, governance and management

a. Constitution

The organisation is a charitable company limited by guarantee, incorporated in 1999.

The company was set-up under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. The Articles were most recently revised in July 2018 and reflect current structural and governance requirements. The objectives of the Charity are defined as "the advancement of the education, learning and training of young persons and adults in Yorkshire and elsewhere".

Skills and Education Group Access (formally Open College Network Yorkshire and Humber Region) is a controlled charity within the wider Skills and Education Group which includes:

- Skills and Education Group, the parent charitable company, limited by guarantee:
Company Number 02640936
Charity Number 1004087
- Skills and Education Group Awards, a charitable company limited by guarantee:
Company Number 04117784
Charity Number 1086947

On the 1 March 2021, the Skills and Education Group acquired BIIAB Qualifications Limited (BIIAB). The Skills and Education Group is the parent company of BIIAB:

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

- BIIAB Qualifications Limited, a private limited company
Company Number 10054831

b. Methods of appointment or election of Trustees

There were three changes to the Board of Trustees during the year:

A C Birch (appointed 26 January 2021)

A G Stott (resigned 14 October 2020)

J E Austin (resigned 12 February 2021)

Newly appointed trustees were recruited in accordance with the Articles of Association adopted 2 July 2018.

All newly appointed trustees complete a skills audit to ensure a balance of skills, knowledge and experiences to support the development of the charity. Trustee recruitment reflects on-going and future skills and knowledge needs.

c. Organisational structure and decision-making policies

The Board of Trustees meets four times a year. Trustees:

- support the CEO and Executive Management Team to determine the strategic direction of the charity and review annual strategic plans, business plans and Key Performance Indicators,
- approve annual budgets, receive and review quarterly management accounts to monitor and challenge performance
- review and monitor the strategic risk register to ensure that the appropriate controls are in place to mitigate risks
- ensure that appropriate governance review mechanisms are in place and that performance is reviewed and that Charity Commission guidance is followed

The Chairs and CEO Group, established in 2018, was extended in 2019/20 to include the Chief Operating Office and then, on appointment 1 September 2020, the Director of Member Services and Communications and the Director of Awarding Services. The "chairs" membership is:

- Chair, Skill and Education Group
- Vice-Chair, Skills and Education Group
- Chair, Skills and Education Group Awards
- Chair, Skills and Education Group Access

The group has been renamed the Chairs and Executive Leadership Group and enables the Chairs to have a collective and strategic oversight of the Charity. The group meets prior to quarterly Board of Trustees meetings and provides a structure for the Chairs of the Charity to meet with the CEO. The Chairs and CEO Group reviews and monitors:

- the performance of the CEO and the Executive Leadership Team
- financial performance across all Charities within the Charity
- performance against strategic and business plans for all Charities within the Charity
- identify opportunities for growth and the approach that may be taken to progress these
- determine longer-term strategic direction to help shape plans and proposals for all Trustees to consider

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

During 2019/20 a focus of the Chairs and Executive Leadership Group was on the acquisition of BIIAB Qualifications Limited. The Group also met to monitor and mitigate the impact of the Covid-19 pandemic on the Charity.

Financial advice and support is provided by a Trustee who is a financial controller at a large General College of Further Education.

Day-to-day management of the Charity is delegated to the CEO, Paul Eeles who is supported by:

- the Chief Operating Officer/Company Secretary (COO), Simon Feneley-Lamb.
- Director of Member Services and Communications, Scott Forbes
- Director of Awarding Services, Michael White

The CEO and COO form the Executive Team with the COO having direct responsibility for Finance, IT, premises, bids/tenders and project activity. The COO is the Company Secretary for the purpose of Company Law.

The Executive Leadership Team meet twice a month, with the first meeting of each month focused on financial performance. Other discussion items include:

- strategic issues, new opportunities and overall business performance
- financial performance and budgets
- human resources, resources and succession planning
- compliance and regulation, including Ofqual, QAA, CCEA, Qualification Wales Charities Commission and the Information Commissioners Officer

d. Policies adopted for the induction and training of Trustees

Newly appointed trustees receive an induction under the direction of the Chief Executive. This normally includes an introductory visit to Robins Wood House when the opportunity to meet with key staff to gain a detailed understanding of the Charity and the subsidiaries within this. In the last year, inductions have been online.

Trustees complete a declaration of interest record on appointment. Declarations are noted on Register which is reviewed and updated on an annual basis.

e. Pay policy for key management personnel

Remuneration for the Chief Executive is determined by the Chairs of the Skills and Education Group and subsidiary charities. The Chief Executive determines the remuneration for all staff, including the Executive Leadership Team.

Annual cost of living pay awards for all other staff are subject to recommendation and approval of the Board of Trustees.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

Trustees approved strategic and business plans that were intended to support a year of development (2020/21) leading to the introduction of new products, support and services. The plans reflect the continuing impact of COVID-19 and associated restrictions that affect that way in which the charity can operate.

The strategic objectives for 2020/21 are designed to take the charity forward while continuing to support the charitable objective "the advancement of skills and education to improve the lives of individuals":

- Establish a strong development offer to support members and their staff respond to a changed landscape post Covid-19
- Develop a strong online offer to underpin the full range of products and services across the Group's charities
- Invest in and harness technology to grow the charity's offer post Covid-19
- Continue to invest in the grants programme of the Foundation to support social inclusion, particularly focused on the needs that learners may have as a result of Covid-19
- Demonstrate the social impact of the charity on its members and customers
- Learn from operating in a Covid-19 world and structure staff, systems, process and physical resources to minimise the impact of Covid-19 and maximise the available opportunities
- Develop "ambition 2025", a strategy that builds on the legacy of the charity and determine its direction over the next four years

In 2019/20, the Skills and Education Group were presented with the opportunity to acquire BIIAB Qualifications Limited (BIIAB). A long-standing part of the British Institute of Innkeeping, BIIAB joined the Skills and Education Group on 1 March 2021. As part of the Group, BIIAB will retain its identity and focus on being the awarding body of choice for the hospitality industry, which employs over 3 million individuals.

In keeping with its drive to achieve educational, economic, and social advancement for all, the Skills and Education Group will collaborate with the British Institute of Innkeeping (BII) to continue to raise industry standards and champion the talented individuals working in hospitality-licensed trades. BIIAB will retain its services in qualifications and apprenticeships that are available to BII members.

The acquisition further strengthens the Skills and Education Group's position in the marketplace and will build its diverse product portfolio to continue to meet local, national, and international skills needs.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by order of the members of the board of Trustees and signed on their behalf by:


Y Y Mellor (Apr 28, 2021 13:00 GMT+1)

Y Y Mellor
(Chair of Trustees)
Date: Apr 28, 2021

SKILLS AND EDUCATION GROUP ACCESS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP ACCESS

Opinion

We have audited the financial statements of Skills and Education Group Access (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP ACCESS (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP ACCESS (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Marshall (May 7, 2021 11:14 GMT+1)

Jane Marshall (Senior Statutory Auditor)

for and on behalf of

BHP LLP

2 Rutland Park

Sheffield

S10 2PD

Date: May 7, 2021

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Charitable activities	4	298,960	298,960	309,545
Investments	5	758	758	1,326
Other income	6	30,925	30,925	19,373
Total income		330,643	330,643	330,244
Expenditure on:				
Charitable activities	7	323,640	323,640	321,544
Total expenditure		323,640	323,640	321,544
Net movement in funds before other recognised gains/(losses)		7,003	7,003	8,700
Other recognised gains/(losses):				
Actuarial losses on defined benefit pension schemes	19	(150,000)	(150,000)	(290,000)
Net movement in funds		(142,997)	(142,997)	(281,300)
Reconciliation of funds:				
Total funds brought forward		196,145	196,145	477,445
Net movement in funds		(142,997)	(142,997)	(281,300)
Total funds carried forward		53,148	53,148	196,145

The Statement of financial activities includes all gains and losses recognised in the year.

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REGISTERED NUMBER: 03773914

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	21,761	22,006
Tangible assets	13	657,523	674,154
		679,284	696,160
Current assets			
Debtors	14	27,012	59,292
Cash at bank and in hand		289,565	278,134
		316,577	337,426
Creditors: amounts falling due within one year	15	(35,713)	(81,441)
Net current assets		280,864	255,985
Total assets less current liabilities		960,148	952,145
Net assets excluding pension liability		960,148	952,145
Defined benefit pension scheme liability	19	(907,000)	(756,000)
Total net assets		53,148	196,145
Charity funds			
Unrestricted funds	16	53,148	196,145
Total funds		53,148	196,145

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Yvonne Mellor

Yvonne Mellor (Apr 28, 2021 13:00 GMT+1)

Y Y Mellor

(Chair of Trustees)

Date: Apr 28, 2021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

The Charity is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Its aim is the advancement of the education, learning and training of young persons and adults in Yorkshire and elsewhere.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (published in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Skills and Education Group Access meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in £ sterling which is the functional currency of the Charity and rounded to the nearest £1.

The charity has taken advantage of the available exemption from preparing a cash flow statement and therefore has not included a cash flow statement in these financial statements.

2.2 Going concern

Trustees have looked at going concern impact of Covid-19 and the ways which any impact can be mitigated. Trustees remain confident that the Charity has the resilience to adapt and develop its strategic and operational business plans to meet the needs of its beneficiaries and to find new ways of working.

This confidence is based on:

- An agile strategic approach that is responsive to external factors
- Accelerating the development and introduction e-learning applications and other technologies to support the launch of new products and services
- The prudent use of the CJRS in 2019/20 to protect the workforce and retain the necessary skills and expertise for the longer term
- Detailed analysis of income and expenditure linked to realistic activity projections that are underpinned by a positive cash flow
- The acquisition of BIIAB into the Group, the expansion of the range of qualifications, end-point assessments, products and services and the opportunity to engage a wide and more diverse customer base

Based on this work, trustees have a continuing reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Consequently, the trustees continue to adopt the going concern basis of accounts in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Income

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Website	-	16.66% straight line
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2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives .

Depreciation is provided on the following bases:

Leasehold land and buildings	- 2% straight line
Fixtures and fittings	- 10% straight line
Office equipment	- 25% straight line

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and 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.

2. Accounting policies (continued)

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.11 Financial instruments

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

2.12 Employee benefits

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

2.13 Pensions

The charitable company contributes to the West Yorkshire Pension Scheme (WYPS), a defined benefit scheme, at rates set by the scheme's actuaries. The charity accounts for the scheme as a defined benefit scheme in accordance with Charities SORP (FRS102).

The charity also contributes in respect of certain employees to the Teachers' Pension Scheme (TPS), a statutory, contributory, final salary scheme. The TPS is unable to identify the charity's share of the underlying assets and liabilities on a consistent or reasonable basis, and accordingly the charity accounts for its contributions to the scheme in accordance with Charities SORP (FRS 102) as if it were a defined contribution scheme.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

SKILLS AND EDUCATION GROUP ACCESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the WYPS defined liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net costs or income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the liability.

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Learner recognition	17,300	17,300	55,735
HE recognition	281,660	281,660	253,410
Training and advice	-	-	400
	<hr/> 298,960 <hr/>	<hr/> 298,960 <hr/>	<hr/> 309,545 <hr/>
Total 2019	<hr/> 309,545 <hr/>	<hr/> 309,545 <hr/>	

SKILLS AND EDUCATION GROUP ACCESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Interest receivable	758	758	1,326
	<hr/>	<hr/>	<hr/>
Total 2019	1,326	1,326	
	<hr/>	<hr/>	

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings and other income	18,583	18,583	19,373
CJRS income	12,342	12,342	-
	<hr/>	<hr/>	<hr/>
	30,925	30,925	19,373
	<hr/>	<hr/>	<hr/>
Total 2019	19,373	19,373	
	<hr/>	<hr/>	

SKILLS AND EDUCATION GROUP ACCESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Analysis of expenditure on charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Learner recognition	110,971	110,971	127,010
HE recognition	212,669	212,669	194,294
Training and advice	-	-	240
	<u>323,640</u>	<u>323,640</u>	<u>321,544</u>
Total 2019	<u>321,544</u>	<u>321,544</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Learner recognition	77,403	33,568	110,971	127,010
HE recognition	59,030	153,639	212,669	194,294
Training and advice	-	-	-	240
	<u>136,433</u>	<u>187,207</u>	<u>323,640</u>	<u>321,544</u>
Total 2019	<u>119,507</u>	<u>202,037</u>	<u>321,544</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Learner recognition 2020 £	HE recognition 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	77,403	-	77,403	76,463
Moderator costs	-	-	-	740
QAA licence fee	-	18,871	18,871	13,398
Access validating agency	-	40,159	40,159	28,906
	77,403	59,030	136,433	119,507
Total 2019	77,203	42,304	119,507	

Analysis of support costs

	Learner recognition 2020 £	HE recognition 2020 £	Total funds 2020 £	Total funds 2019 £
Interest on pension obligation	14,000	-	14,000	12,000
Depreciation and amortisation	1,677	19,836	21,513	16,604
Software and IT support	1,039	12,287	13,326	13,966
Reprographics, postage and stationery	328	3,865	4,193	9,632
Marketing, advertising and hospitality	179	2,112	2,291	6,254
Travel and subsistence	347	4,099	4,446	5,877
Other staff costs	-	-	-	1,254
Premises	1,279	15,132	16,411	25,799
Bank charges	49	581	630	893
Irrecoverable VAT	738	8,727	9,465	11,186
Central recharge	7,174	84,881	92,055	88,269
Legal and professional fees	179	2,119	2,298	6,278
Audit fees	6,579	-	6,579	4,025
	33,568	153,639	187,207	202,037

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

Staff costs, audit and accounting and depreciation costs have been allocated based on directly attributable expenditure. The remaining support costs have been allocated based on a percentage of income basis.

9. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,760	4,025
Fees payable to the Charity's auditor in respect of:		
All assurance services not included above	420	-
	=====	=====

10. Staff costs

	2020	2019
	£	£
Wages and salaries	57,661	55,028
Social security costs	4,259	4,493
Pension costs	15,483	16,942
	=====	=====
	77,403	76,463
	=====	=====

The average number of persons employed by the Charity during the year was as follows:

	2020	2019
	No.	No.
Administrative staff	4	4
	=====	=====

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel are remunerated through the parent charity.

During the year, redundancy payments of £3,665 (2019: £nil) were made.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019: £nil).

During the year ended 31 August 2020, expenses totalling £nil were reimbursed or paid directly to Trustees (2019 - £216 to 2 Trustees). The expenses reimbursed in the prior year related to travel expenses and parking charges.

12. Intangible assets

	Website £
Cost	
At 1 September 2019	22,006
Additions	4,637
	<hr/>
At 31 August 2020	26,643
	<hr/>
Amortisation	
Charge for the year	4,882
	<hr/>
At 31 August 2020	4,882
	<hr/>
Net book value	
At 31 August 2020	21,761
	<hr/> <hr/>
At 31 August 2019	22,006
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. Tangible fixed assets

	Leasehold land and buildings £	Fixtures and fittings £	Office equipment £	Total £
<i>Cost or valuation</i>				
At 1 September 2019	1,325,916	25,732	44,425	1,396,073
At 31 August 2020	1,325,916	25,732	44,425	1,396,073
<i>Depreciation</i>				
At 1 September 2019	652,800	25,195	43,924	721,919
Charge for the year	16,413	51	167	16,631
At 31 August 2020	669,213	25,246	44,091	738,550
<i>Net book value</i>				
At 31 August 2020	656,703	486	334	657,523
At 31 August 2019	673,116	537	501	674,154

14. Debtors

	2020 £	2019 £
<i>Due within one year</i>		
Trade debtors	2,404	28,058
Other debtors	2,240	1,340
Prepayments and accrued income	22,368	29,894
	27,012	59,292

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	10,042	22,808
Amounts owed to group undertakings	2,321	50,887
Other taxation and social security	839	1,139
Other creditors	2,554	1,807
Accruals and deferred income	19,957	4,800
	<hr/>	<hr/>
	35,713	81,441
	<hr/>	<hr/>

	2020	2019
	£	£
Deferred income at 1 September 2019	-	4,417
Amounts released from previous periods	-	(4,417)
	<hr/>	<hr/>
<i>Deferred income at 31 August 2020</i>	-	-
	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
<i>Unrestricted funds</i>					
General funds	952,145	330,643	(322,640)	-	960,148
Designated pension reserve	(756,000)	-	(1,000)	(150,000)	(907,000)
	<u>196,145</u>	<u>330,643</u>	<u>(323,640)</u>	<u>(150,000)</u>	<u>53,148</u>

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
<i>Unrestricted funds</i>					
General funds	931,445	330,244	(309,544)	-	952,145
Designated pension reserve	(454,000)	-	(12,000)	(290,000)	(756,000)
	<u>477,445</u>	<u>330,244</u>	<u>(321,544)</u>	<u>(290,000)</u>	<u>196,145</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
General funds	<u>196,145</u>	<u>330,643</u>	<u>(323,640)</u>	<u>(150,000)</u>	<u>53,148</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
General funds	477,445	330,244	(321,544)	(290,000)	196,145

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	657,523	657,523
Intangible fixed assets	21,761	21,761
Current assets	316,577	316,577
Creditors due within one year	(35,713)	(35,713)
Pension reserve	(907,000)	(907,000)
Total	53,148	53,148

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	674,154	674,154
Intangible fixed assets	22,006	22,006
Current assets	337,426	337,426
Creditors due within one year	(81,441)	(81,441)
Pension scheme liability	(756,000)	(756,000)
Total	196,145	196,145

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Pension commitments

The Charity contributes to defined benefit pension schemes on behalf of those employees who remain auto-enrolled who are not members of either the West Yorkshire Pension Fund or the Teachers' Pension Scheme, which are defined benefit arrangements.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The group has set out above the information available on the scheme.

West Yorkshire Pension Fund

The charity participates in the West Yorkshire Pension Fund (WYPF) which is a multi-employer defined benefit scheme.

The date of the most recent comprehensive actuarial valuation was 31 March 2019. The last full actuarial valuation of this scheme by a qualified, independent actuary as at 31 March 2019 was updated on an approximate basis to 31 August 2020.

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NOTES TO THE FINANCIAL STATEMENTS
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19. Pension commitments (continued)

Contributions were paid at rates of 6.5% to 8.5% for employees throughout the year. Employer's contributions were 45% in the year to 31 August 2020 (year to 31 August 2019 - 45%).

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	At 31 August 2020	At 31 August 2019
	%	%
Discount rate	1.60	1.80
Future salary increases	3.65	3.45
Future pension increases	2.40	2.20
CPI inflation	2.40	2.20
Pension accounts revaluation rates	2.40	2.20

	At 31 August 2020	At 31 August 2019
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	22	22
- at 65 for a male aged 45 now	23	23
- for a female aged 65 now	25	25
- at 65 for a female aged 45 now	26	27

Sensitivity analysis

	At 31 August 2020	At 31 August 2019
	£	£
Discount rate +0.1%	(36,000)	(35,000)
Discount rate -0.1%	36,000	35,000
Mortality assumption - 1 year increase	(97,000)	(86,000)
Mortality assumption - 1 year decrease	95,000	87,000

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NOTES TO THE FINANCIAL STATEMENTS
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19. Pension commitments (continued)

The Charity's share of the assets in the scheme was:

	At 31 August 2020 £	At 31 August 2019 £
Equities	1,283,000	1,378,000
Government bonds	160,000	187,000
Corporate bonds	82,000	80,000
Property	71,000	78,000
Cash and other liquid assets	28,000	34,000
Other	25,000	20,000
Total fair value of assets	1,649,000	1,777,000

The actual return on scheme assets was £57,000 (2019 - £87,000).

The amounts recognised in the Statement of financial activities are as follows:

	2020 £	2019 £
Current service cost	9,000	8,000
Past service cost	-	5,000
Interest cost	14,000	12,000
Total amount recognised in the Statement of financial activities	23,000	25,000

Movements in the present value of the defined benefit obligation were as follows:

	2020 £	2019 £
Opening defined benefit obligation	2,533,000	2,250,000
Interest cost	45,000	59,000
Contributions by scheme participants	1,000	1,000
Actuarial losses	62,000	330,000
Benefits paid	(94,000)	(120,000)
Past service cost	-	5,000
Current service cost	9,000	8,000
Closing defined benefit obligation	2,556,000	2,533,000

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NOTES TO THE FINANCIAL STATEMENTS
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19. Pension commitments (continued)

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	1,777,000	1,796,000
Interest income	31,000	47,000
Actuarial (losses)/gains	(88,000)	40,000
Contributions by employer	22,000	13,000
Contributions by scheme participants	1,000	1,000
Benefits paid	(94,000)	(120,000)
<i>Closing fair value of scheme assets</i>	1,649,000	1,777,000

20. Related party transactions

During the year the charity was recharged wages costs from its parent, Skills and Education Group, totalling £66,376 (2019: £89,238), and made payments to its parent totalling £92,055 (2019: £80,643). At the year end an amount of £107 (2019: £14,050) was owed to Skills and Education Group.

Skills and Education Group Awards, a subsidiary of the parent company Skills and Education Group, recharged costs of £20,764 (2019: £32,022) to the charity. Payments were also made to the charity from the same subsidiary of £55,387 (2019: £4,815). At the year end a balance of £2,214 (2019: £36,837) was owed to Skills and Education Group Awards.

J Austin is also a director of RNN Group. During the year, income of £23,964 (2019: £nil) was received from the company. There are no amounts outstanding from the company at the year end (2019: £nil).

Y Y Mellor is also a trustee of Northern College for Residential Adult Education. During the year, income of £9,730 (2019: £nil) was received from the charity. There are no amounts outstanding from the charity at the year end (2019: £nil).

A Foulkes, a trustee, is also Chief Executive and Principal of Sheffield College. During the year, income of £51,320 (2019: £nil) was received from The Sheffield College. There are no amounts outstanding from the College at the year end (2019: £nil).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

21. Controlling party

The charity is managed and controlled by its immediate and ultimate parent Skills and Education Group, which is a registered charity (number 1004087) and a company limited by guarantee incorporated in England and Wales (company number 02640936).

Skills and Education Group has a number of common Trustees of Skills and Education Group Access.

The most senior parent entity producing publicly available consolidated financial statements is Skills and Education Group. These financial statements are available upon request from Robins Wood House, Robins Wood Road, Aspley, Nottingham, Nottinghamshire, NG8 3NH.