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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023**

Trustees	A Birch (resigned 10 February 2023) P Bloor D Gray Y Mellor R Sami R Webber-Jones (resigned 25 April 2023) A G Stott (appointed 13 February 2023) G Clipson MBE (appointed 13 February 2023) Skills and Education Group
Company registered number	03773914
Charity registered number	1088839
Registered office	Robins Wood House Robins Wood Road Nottingham NG8 3NH
Company secretary	A De'Ath (appointed December 2023) S N Feneley-Lamb (resigned December 2023)
Key management	Chief Executive: P A Eeles Deputy Chief Executive: S A Forbes
Independent auditors	Streets Audit LLP Tower House Lucy Tower Street Lincoln LN1 1XW
Bankers	Natwest 536 Valley Road Nottingham NG5 1FL

SKILLS AND EDUCATION GROUP ACCESS

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 September 2022 to 31 August 2023. 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) (effective 1 January 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 skills and education to improve the lives of individuals*". These services include:

- awarding Access to HE Diplomas regulated by the Qualifications Approval Agency (QAA)
- local, regional and national stakeholder engagement to inform and support policy developments and implementation
- championing social mobility, by supporting learners looking to progress onto further and/or higher study.

The Charity's strategic aims adopted in support of these objectives are identified by an annual strategic planning process culminating in "Ambition 2025" setting out the strategy and direction of the Charity to August 2025. This is supported by an annual process which sets out clear strategic targets for in-year achievement. Plans are agreed and monitored by the Board of Trustees.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance: 'Public benefit: running a charity (PB2)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

a. Main achievements of the Charity

Achievements and performance delivering public benefit:

The Charity is licensed by the Quality Assurance Agency (QAA) to validate, and quality assure Access to HE Diplomas. It continues to have a strong social purpose to recognise achievement, particularly for those who have benefitted least from their educational experiences. Through the work of the Charity it works to support the needs of individuals, providers, businesses, and communities by enabling progression into higher education through Access to HE Diplomas.

During 2022/23, the Charity has seen several positive factors, including growth in the number of customers, and an increase in the number of Diploma qualifications it validates. Work has included the development of a range of new online Access to HE Diplomas, which is now enabling the Charity to offer an alternative mode of delivery that complements the traditional classroom-based model and allows greater participation for adults who will benefit from wholly, flexible, remote courses.

Alongside development and growth, the Charity's priority has been to deliver an excellent service to its customers. It listened to feedback and implemented a new awarding management system and further invested in Access to HE by building a new, highly skilled and developed team. To add to the successes of 2022/23, the Charity reported a significantly higher number of learners achieving their Diploma qualifications than the national average.

Success for Charity in 2022/23 looked like:

- 18 Access to HE Diplomas offered across 9 sectors
- 15 Providers delivered Access to HE Diplomas
- 1,322 Diplomas were awarded in 2022/23
- 2,921 learners registered on Diplomas
- Achievement rate for fulltime learners was 79.5%
- Retention rate for fulltime learners was 79.7%
- Fulltime student pass rate was 99.8%
- 71% of learners studying on an Access to HE Diploma were female
- 29% of learners studying on an Access to HE Diploma were male
- 65% of students were aged 19 to 29
- 35% of students were aged 35% +
- 46% of students studying on Access to HE learners were from areas of disadvantage (up 12% over 2021/22) in comparison to 28% of the national average
- 12% of students received all distinctions
- 40% of students received some merits and distinctions.

2023/24 is set to be an exciting year for the Charity as it looks to continue to grow its market share.

b. Fundraising standards information

The Charity does not carry out any significant fundraising activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

a. Going concern

Trustees worked closely with the Senior Leadership Team to develop strategic and operational plans that support the sustained growth of the Charity. Such plans included the development of new products and services, and the identification of resources needed to support current and future planned developments.

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. 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
- 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 enable 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 and wind-up the Charity's affairs in an orderly manner, when required.

Unrestricted funds at the end of the year were £669,601 (2022: £920,605) and free reserves which exclude fixed assets and are stated before the defined benefit pension liability are a deficit of £5,151 (2022: £265,854 surplus).

Trustees have included further disclosure in the going concern accounting policy which confirms the group support available to the charity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Principal risks and uncertainties

Trustees remain aware of the educational and political environment in which the Charity operates and recognise 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 is 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 processes are in place to mitigate and manage the risks. Strategic risks are managed and monitored through a risk register. The risk register is reviewed and updated by the Senior Leadership Team monthly and further reviewed by Trustees quarterly.

The risk register is rated on a weighted likelihood and impact scale based on Charity Commission Guidance.

d. Financial performance and position

The Charity remains in a financially healthy position and continues to meet its agreed financial targets.

The Charity achieved a deficit of £251,004 (2022: a surplus of £540,887).

Total income was £293,484 (2022: £372,428). Total expenditure was £444,488 (2022: £430,541). Salaries and associated costs remain the primary cost to the Charity.

Total net liabilities at 31 August 2023 were £5,151 compared with net assets of £265,854 at 31 August 2022. All funds are unrestricted.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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.

Skills and Education Group Access 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
- BIIAB Qualifications Limited, a private company limited by shares:
Company Number 10054831
- Quality Licence Scheme Limited, a private company limited by guarantee without share capital:
Company Number 10051052

The Skills and Education Group delivers its products and services through a brand structure that maintains and protects the profile and reputation of the Charity and its subsidiaries within its structure.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

There was one change to the Board during the year:

- R Webber-Jones resigned on the 25 April 2023

Trustees are recruited in accordance with the Articles of Association adopted on the 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 ongoing and future skills and knowledge needs.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

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

- support the Chief Executive and Senior Leadership Team (SLT) 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 Chief Executive meet four times a year, which enables the Chairs to have a collective and strategic oversight of the Charity. The Chairs of the charities Skills and Education Group, Skills and Education Group Awards and BIIAB Qualifications Limited are members of this Group.

The Group meets ahead of quarterly Board of Trustees meetings and provides a structure for the Chairs to review and monitor:

- the performance of the Chief Executive and the Senior Leadership Team
- financial performance for the Charity and take a holistic view of all entities within the Group structure
- performance against strategic and business plans the Charity and all other entities
- 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.

The Chief Executive is a Trustee of the Skills and Education Group, an appointment made under article 20 of the Skills and Education Group Articles.

Day-to-day management of the Charity is delegated to the Chief Executive, Paul Eeles, who is supported by Scott Forbes, as Deputy Chief Executive.

The Executive is supported by a Senior Leadership Team (SLT), who support the Chief Executive and Deputy Chief Executive with operational and strategic matters. The Senior Leadership Team comprises of:

- Helen Gibson, Interim Director of Product Strategy
- Elizabeth Humphrey-Talmey, Interim Director of Finance
- Kaye Jackson, Director of External Affairs
- Jennie Lawson, Director of Access to HE
- Karl Stringer, Director of Quality and Compliance

The Senior Leadership Team meets on a weekly basis, with an extended monthly meeting which focuses on overall Group strategy, finance, and HR matters.

A Senior Management Team (SMT) in addition to SLT meets monthly focusing on operational and departmental matters across the Group. The SMT is chaired by the Deputy Chief Executive and comprises of all SLT members, and Heads of services and functions from across the Skills and Education Group.

In addition to SMT, a monthly Scrutiny Group is held. This meeting is attended by the Executive and SLT. The meeting is chaired by the Deputy Chief Executive and is used to formerly review regulatory needs across all awarding functions within the Group.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

The Deputy Chief Executive acts as the Data Protection Officer for the Charity and is supported by members of the Senior Leadership Team.

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 where there is an opportunity to meet with key staff to gain a detailed understanding of the Charity and the subsidiaries within this.

Trustees also complete a declaration of interest record and skills audit on appointment. Declarations are noted on the Register which is reviewed and updated on an annual basis. Trustees are also asked to state any interests at the start of each Board meeting.

e. Pay policy for key management personnel

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

All annual cost of living pay awards for staff are subject to recommendation to and approval of the Board of Trustees.

f. Financial risk management

The Trustees have assessed the major risks to which the Charity are exposed, those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

g. 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 is needed to ensure continuing compliance
- Failure to appropriately manage and store personal data leading to a data breach under the General Data Protections regulations
- The ongoing impact of Covid-19 on education as well as the wider economy

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

Trustees continue to support “Ambition 2025”, challenging assumptions and using their skills and knowledge to define objectives and associated targets. Ambition 2025 is a strategic plan that articulates ten key priorities that will take the Charity forward. This redefined the Charity’s purpose, mission, and vision to reflect the expanded Group and the services that this now provides:

Purpose:

1. To support the development and delivery of further education and skills providers and their staff
2. Champion and support the social impact of the further education and skills sector
3. To develop and award industry relevant, high-quality qualifications, accreditations and end-point assessments
4. To be a national leader in Access to HE, awarding high quality Access to HE Diplomas that enable earners to progress into further study and/or employment.

Mission:

The advancement of skills and education to improve the lives of individuals.

Vision:

To provide high-quality services centred on collaboration, responsiveness, and diversity, supporting our members and customers to positively impact on the learners, communities, and sectors they serve to achieve their full potential, no matter what their age, background, or ability.

The plans set annual key performance indicators in the context of a longer-term objectives:

- To see a growth in membership
- Increase the number of people participating in professional development events
- An increase in the uptake of grants to learners awarded through the Group’s Foundation
- Raise awareness of the charities work, through its Foundation, in widening participation and social mobility
- Grow the number of learners benefiting from a certificate form at least one of the charity’s awarding brands
- Grow the collective awarding share
- Ensure that a surplus is generated
- Explore international opportunities
- Ensure good staff engagement and satisfaction.

2022/23 has seen further progress towards achieving Ambition 2025. 2023/24 will build on these successes, and with the support of Trustees the Executive and Senior Leadership Team will work towards creating a new three-year strategy to 2027.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 (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 business.

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 auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 2 May 2024 and signed on their behalf by:



.....
Y Mellor
(Chair of Trustees)

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

Opinion

We have audited the financial statements of Skills and Education Group Access (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 2023 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

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

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

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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP
ACCESS (CONTINUED)**

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trustees' 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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**INDEPENDENT AUDITORS' 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP
ACCESS (CONTINUED)**

Auditors' 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 auditors' 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 is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP
ACCESS (CONTINUED)**


There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditors' 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Anderson BSc FCA (senior statutory auditor)

for and on behalf of

Streets Audit LLP

Tower House

Lucy Tower Street

Lincoln

LN1 1XW

Date: 28 May 2024

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	3	264,980	264,980	353,788
Investments	4	743	743	45
Other income	5	27,761	27,761	18,595
Total income		293,484	293,484	372,428
Expenditure on:				
Charitable activities	6	444,488	444,488	430,541
Total expenditure		444,488	444,488	430,541
Net movement in funds before other recognised gains/(losses)		(151,004)	(151,004)	(58,113)
Other recognised gains/(losses):				
Derecognition of pension asset		70,000	70,000	(70,000)
Actuarial gains of defined benefit pension schemes		(170,000)	(170,000)	669,000
Net movement in funds		(251,004)	(251,004)	540,887
Reconciliation of funds:				
Total funds brought forward		920,605	920,605	379,718
Net movement in funds		(251,004)	(251,004)	540,887
Total funds carried forward		669,601	669,601	920,605

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

The notes on pages 19 to 37 form part of these financial statements.

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REGISTERED NUMBER: 03773914

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	11	164,109	30,602
Tangible assets	12	607,643	624,149
		<u>771,752</u>	<u>654,751</u>
Current assets			
Debtors	13	60,493	128,729
Cash at bank and in hand		86,164	172,153
		<u>146,657</u>	<u>300,882</u>
Creditors: amounts falling due within one year	14	(151,808)	(35,028)
Net current liabilities / assets		<u>(5,151)</u>	<u>265,854</u>
Total assets less current liabilities		<u>766,601</u>	<u>920,605</u>
Net assets excluding pension liability / asset		<u>766,601</u>	<u>920,605</u>
Defined benefit pension scheme liability / asset	18	(97,000)	-
Total net assets		<u><u>669,601</u></u>	<u><u>920,605</u></u>

SKILLS AND EDUCATION GROUP ACCESS
(A company limited by guarantee)
REGISTERED NUMBER: 03773914

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Charity funds			
Restricted funds	15	-	-
Unrestricted funds			
General funds	15	669,601	920,605
Total unrestricted funds	15	669,601	920,605
Total funds		669,601	920,605

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 authorized for issue by the Trustees on 2 May 2024 and signed on their behalf by:



.....
Y Mellor
(Chair of Trustees)

The notes on pages 19 to 37 form part of these financial statements.

SKILLS AND EDUCATION GROUP ACCESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 and training of young people and adults primarily through the provision of nationally recognised qualifications.

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) (effective 1 January 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.

These financial statements are prepared in sterling, which is the functional currency of the entity.

2.2 Going concern

At the year end, the balance sheets shows net current liabilities of £5,151.

The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient for the charity to be able to continue as a going concern. Therefore these financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

Trustees have confirmed that continued financial support will be provided by the parent charity, Skills and Education Group.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the statement of financial activities.

2.6 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 institution with whom the funds are deposited.

2.7 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.

Amortisation is provided on the following bases:

Development expenditure	- 20 % straight line
Website	- 20 % straight line

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.8 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, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	2% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	25% straight line

2.9 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.

2.10 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.

2.11 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. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

SKILLS AND EDUCATION GROUP ACCESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.12 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 (FRS 102).

The charity also contributes in respect of certain employees to the Teacher's 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.

2.13 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.

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Learner recognition	12,700	12,700	20,480
HE recognition	252,280	252,280	333,308
	<hr/> 264,980 <hr/>	<hr/> 264,980 <hr/>	<hr/> 353,788 <hr/>
<i>Total 2022</i>	<hr/> 353,788 <hr/>	<hr/> 353,788 <hr/>	

SKILLS AND EDUCATION GROUP ACCESS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	743	743	45
<i>Total 2022</i>	45	45	

5. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings and other income	27,761	27,761	18,595
<i>Total 2022</i>	18,595	18,595	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Learner recognition	125,183	125,183	79,834
HE recognition	319,305	319,305	350,707
	444,488	444,488	430,541
<i>Total 2022</i>	430,541	430,541	

SKILLS AND EDUCATION GROUP ACCESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Learner recognition	111,029	14,154	125,183	79,834
HE recognition	98,666	220,639	319,305	350,707
	<u>209,695</u>	<u>234,793</u>	<u>444,488</u>	<u>430,541</u>
<i>Total 2022</i>	<u>142,333</u>	<u>288,208</u>	<u>430,541</u>	

Analysis of direct costs

	Learner recognition 2023 £	HE recognition 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	100,706	-	100,706	63,062
Moderator and examiner costs	-	65,356	65,356	51,690
QAA registration	-	33,310	33,310	27,581
Foundation activities	10,323	-	10,323	-
	<u>111,029</u>	<u>98,666</u>	<u>209,695</u>	<u>142,333</u>
<i>Total 2022</i>	<u>63,062</u>	<u>79,271</u>	<u>142,333</u>	

SKILLS AND EDUCATION GROUP ACCESS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Learner recognition 2023 £	HE recognition 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	-	(3,000)	(3,000)	10,000
Depreciation	2,127	35,051	37,178	26,676
Bad debt	-	-	-	(726)
Other staff costs	678	10,628	11,306	708
Administration	238	3,737	3,975	5,059
Communications and marketing	333	5,217	5,550	-
Premises	1,091	17,092	18,183	17,704
ICT costs	1,232	19,301	20,533	6,031
Professional fees	1,050	16,448	17,498	7,806
Bank charges	25	396	421	429
Irrecoverable VAT	(11)	(170)	(181)	3,495
Governance costs	(110)	(1,576)	(1,686)	5,904
Central recharges	7,501	117,515	125,016	205,122
	<u>14,154</u>	<u>220,639</u>	<u>234,793</u>	<u>288,208</u>
<i>Total 2022</i>	<u>16,772</u>	<u>271,436</u>	<u>288,208</u>	

Support costs have been allocated based on a percentage of income basis.

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,500 (2022 - £3,500).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff costs

	2023	<i>2022</i>
	£	£
Wages and salaries	67,832	<i>40,271</i>
Social security costs	7,367	<i>5,441</i>
Contribution to defined contribution pension schemes	22,507	<i>27,350</i>
	97,706	<i>73,062</i>

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

	2023	<i>2022</i>
	No.	No.
Administrative staff	3	<i>3</i>

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, no redundancy payments were made.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2022 - £NIL*).

During the year ended 31 August 2023, expenses totalling £146 were reimbursed or paid directly to 3 Trustees (*2022 - £85 to 1 Trustee*), in relation to travel and accommodation.

SKILLS AND EDUCATION GROUP ACCESS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Intangible assets

	Developm't £	Website £	Total £
Cost			
At 1 September 2022	14,361	35,503	49,864
Additions	139,275	13,156	152,431
At 31 August 2023	<u>153,636</u>	<u>48,659</u>	<u>202,295</u>
Amortisation			
At 1 September 2022	2,009	17,253	19,262
Charge for the year	9,698	9,226	18,924
At 31 August 2023	<u>11,707</u>	<u>26,479</u>	<u>38,186</u>
Net book value			
At 31 August 2023	<u>141,929</u>	<u>22,180</u>	<u>164,109</u>
At 31 August 2022	<u>12,352</u>	<u>18,250</u>	<u>30,602</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

12. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 September 2022	1,325,916	25,732	44,425	1,396,073
At 31 August 2023	1,325,916	25,732	44,425	1,396,073
Depreciation				
At 1 September 2022	702,136	25,363	44,425	771,924
Charge for the year	16,450	56	-	16,506
At 31 August 2023	718,586	25,419	44,425	788,430
Net book value				
At 31 August 2023	607,330	313	-	607,643
At 31 August 2022	623,780	369	-	624,149

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	12,202	77,511
Amounts owed by group undertakings	2,069	8,156
Other debtors	338	-
Prepayments and accrued income	45,884	43,062
	60,493	128,729

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£	<i>£</i>
Trade creditors	135,464	<i>12,689</i>
Amounts owed to group undertakings	3,876	<i>4,775</i>
Other taxation and social security	9,956	<i>3,854</i>
Pension fund loan payable	499	<i>1,261</i>
Other creditors	750	<i>750</i>
Accruals and deferred income	1,263	<i>11,699</i>
	151,808	<i>35,028</i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds					
General funds	920,605	293,484	(447,488)	-	766,601
Pension reserve	-	-	3,000	(100,000)	(97,000)
	<u>920,605</u>	<u>293,484</u>	<u>(444,488)</u>	<u>(100,000)</u>	<u>669,601</u>

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds					
General funds	979,718	372,428	(431,541)	-	920,605
Pension reserve	(600,000)	(70,000)	1,000	669,000	-
	<u>379,718</u>	<u>302,428</u>	<u>(430,541)</u>	<u>669,000</u>	<u>920,605</u>

SKILLS AND EDUCATION GROUP ACCESS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
General funds	920,605	293,484	(444,488)	(100,000)	669,601

Summary of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
General funds	379,718	302,428	(430,541)	669,000	920,605

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	607,643	607,643
Intangible fixed assets	164,109	164,109
Current assets	146,657	146,657
Creditors due within one year	(151,808)	(151,808)
Provisions for liabilities and charges	(97,000)	(97,000)
Total	669,601	669,601

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Analysis of net assets between funds (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	624,149	624,149
Intangible fixed assets	30,602	30,602
Current assets	300,882	300,882
Creditors due within one year	(35,028)	(35,028)
Total	<u>920,605</u>	<u>920,605</u>

SKILLS AND EDUCATION GROUP ACCESS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. 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 Teacher's 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 full-time teachers in academies. 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.

Valuation of the Teachers' Pension Scheme

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 (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

West Yorkshire Pension Fund

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Pension commitments (continued)

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 2023.

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 2023 (year to 31 August 2022 - 45%).

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

	2023 %	2022 %
Key assumptions		
Discount rate	5	4
Future salary increases	4	4
Future pension increases	3	3
CPI inflation	3	3
	2023 Years	2022 Years
Mortality rates (in years)		
Males retiring today	21	22
Males retiring in 20 years	22	23
Females retiring today	24	25
Females retiring in 20 years	25	26
	2023 £	2022 £
Sensitivity analysis		
Discount rate + 0.1%	19,000	25,000
Discount rate - 0.1%	(20,000)	(25,000)
Mortality assumption - 1 year increase	(54,000)	(51,000)
Mortality assumption - 1 year decrease	48,000	51,000

The pension scheme surplus/deficit is based on the actuarial assumptions used as at the 31 August 2023. These can and do change after the year end. The above sensitivity analysis shows how the position stated can change significantly based on changes to the actuarial assumptions. A change in the markets is likely to result in an increased pension scheme deficit by the next year end. Post year end valuations could be obtained to provide an indication, however it is considered that the cost would outweigh the benefit to the users of the accounts, and would not be value for money.

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	2023 £	2022 £
Asset allocation		
Equities	1,493,064	1,472,000
Property	61,512	72,000
Government bonds	134,208	118,000
Corporate bonds	83,880	79,000
Cash and other liquid assets	57,784	74,000
Other	33,552	28,000
	<u>1,864,000</u>	<u>1,843,000</u>

The actual return on scheme assets was £75,000 (2022 - £32,000).

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

	2023 £	2022 £
Total amount recognised in the Statement of financial activities		
Current service cost	5,000	10,000
Interest cost	(3,000)	10,000
Derecognise pension surplus	(70,000)	70,000
	<u>(68,000)</u>	<u>90,000</u>

At 31 August 2022, the present value of the defined benefit obligation at the reporting date was valued at less than the fair value of plan assets and therefore the plan has a surplus. In accordance with FRS 102, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. On the basis that the separate triennial valuation is used to calculate future contribution rates on a different valuation basis, there is no realistic expectation that the surplus will be realised or will provide future economic benefit to the trust. As a result the pension asset has not been recognised in the balance sheet of the financial statements. The asset and liability movements as included in the FRS 102 valuation report has been disclosed below for transparency.

At 31 August 2023, the present value of the defined benefit obligation was valued higher than the fair value of plan assets, and therefore the plan has a liability at the reporting date.

The last member of the scheme has now ceased. Discussions have commenced with West Yorkshire Pension Fund with regards to the potential buyout value. The current value cannot at present be reliably estimated.

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**NOTES TO THE FINANCIAL STATEMENTS
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	2023 £	2022 £
Changes to the defined benefit obligation		
Opening defined benefit obligation	1,773,000	2,530,000
Interest cost	72,000	42,000
Contributions by scheme participants	1,000	1,000
Actuarial losses/(gains)	117,000	(669,000)
Benefits paid	(104,000)	(141,000)
Current service cost	5,000	10,000
	<u>1,864,000</u>	<u>1,773,000</u>
	2023 £	2022 £
Changes to the fair value of assets		
Opening fair value of scheme assets	1,843,000	1,930,000
Interest income	75,000	32,000
Actuarial gains/(losses)	(53,000)	-
Contributions by employer	5,000	21,000
Contributions by scheme participants	1,000	1,000
Benefits paid	(104,000)	(141,000)
	<u>1,767,000</u>	<u>1,843,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Related party transactions

During the year the charity was recharged wages and other costs from its parent, totalling £125,016 (2022: £209,147), and made payments to its parent totalling £9,263 (2022: £205,122). At the year end an amount of £3,876 (2022: £4,185) was owed to Skills and Education Group.

Skills and Education Group Awards, a subsidiary of the parent company Skills and Education Group, was recharged costs of £6,088 (2022: £8,156) and payments were made to this charity of £Nil (2022: £Nil). At the year end a balance of £2,069 (2020: £8,156) was owed from Skills and Education Group Awards.

BIIAB Qualifications Limited, a subsidiary of the parent company Skills and Education Group recharged costs of £1,233 to the charity (2022: £590) and payments were made to this company of £1,823 (2022: £Nil). At the year end a balance of £Nil (2022: £590) was owed to the company.

A Birch, a trustee, is also Head of Higher Education at RNN Group. During the year income of £26,963 (2022: £34,90) was received from the College for the provision of charitable services. There were amounts outstanding at the year end of £281 owed to RNN Group (2022: £33,469 owed to the charity).

R Webber-Jones, a trustee until 25 April 2023, is also Vice Principal of The Sheffield College. During the year income of £40,600 (2022: £45,940) was received from the College for the provision of charitable services. There were amounts outstanding at the year end of £Nil (2022: £26,035).

R Sami, a trustee, was also Director of Quality at Solihull College during the year. During the year income of £21,165 (2022: £26,650) was received from the College for the provision of charitable services. There were amounts outstanding at the year end of £925 (2022: £100).

D Gray, a trustee, was also Chief Executive at Hull College during the year. During the year income of £17,520 was received from the College for the provision of charitable services. There were amounts outstanding at the year end of £Nil.

20. 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).

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