AGORED CYMRU

England & Wales · Charity number 1105070

Details

Other names	OPEN COLLEGE NETWORK CYMRU
Status	Registered
Legal form	Charitable company
Company number	05133651
Registered	2004-07-23
Register	View on the Charity Commission register

Contact

Address	Agored Cymru 3 Purbeck House Lambourne Crescent Llanishen Cardiff CF14 5GJ
Phone	01248670011
Email	info@agored.cymru
Website	www.agored.cymru

Activities

Objects: THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC OF WALES AND BEYOND IN ONE OR MORE OF THE FOLLOWING WAYS:1. BY PROMOTING LEARNING, WIDENING OPPORTUNITY AND ENABLING PROGRESSION IN EDUCATION AND TRAINING;2. BY IMPROVING THE QUALITY AND FLEXIBILITY OF EDUCATION PROVISION FOR THE PUBLIC BENEFIT;3.3 BY EXTENDING ACCESS TO LEARNING OPPORTUNITIES AND FACILITATING PROGRESSION TO FURTHER LEARNING, EMPLOYMENT AND HIGHER EDUCATION PARTICULARLY THROUGH THE AWARD OF CREDITS AND CREDIT BASED QUALIFICATIONS.

Activities: Promoting learning, widening opportunity and enabling progression in education and training;Improving the quality and flexibility of education provision for the public benefit;Extending access to learning opportunities and facilitating progression to further learning, employment and higher education particularly through a wide range of qualifications.

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Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** WALES
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,532,969	£1,938,994	£2,976,412	27
2023-12-31	£2,180,726	£1,695,114	£2,230,437	23
2022-12-31	£1,624,568	£1,620,905	£1,683,825	25
2021-12-31	£1,677,846	£1,451,543	£1,381,162	24
2020-12-31	£1,629,181	£1,368,560	£1,059,859	24

Trustees

Name	Role	Appointed
Kathleen Nancy Burns MBE	Chair	2017-09-21
Anne Reardon-James		2025-01-27
CLARE KELL		2023-07-01
Carl David Mather		2021-05-17
HUW SWAYNE		2020-04-22
Moira Lewis Davies		2018-11-14
Nicola Hagendyk		2025-10-14
Rhys Richardson		2025-10-14

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AGORED CYMRU

England & Wales - Charity number 1105070

Accounts

COMPANY REGISTRATION NUMBER: 5133651
CHARITY REGISTRATION NUMBER: 1105070

Agored Cymru

Company Limited by Guarantee

Financial Statements

31 December 2024

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Agored Cymru

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2024

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Agored Cymru

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2024.

Reference and administrative details

Registered charity name	Agored Cymru
Charity registration number	1105070
Company registration number	5133651
Principal office and registered office	4 Llys Onnen Ffordd Y Llyn Parc Menai Bangor Gwynedd LL57 4DF

The trustees

E V Barrett	(Resigned 31 January 2024)
K Burns	
M Davies	
B Eakins	(Served from 25 January 2025 to 28 May 2025)
Dr J Jones	(Resigned 20 May 2025)
Dr C Kell	
S Rehman Khan	(Resigned 5 March 2024)
C D Mather	
A Reardon-James	(Appointed 25 January 2025)
C Rees	
H Swayne	
K Workman	(Resigned 24 March 2024)

Auditor

Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Structure, governance and management

Agored Cymru was registered with Companies House on 12 October 2009 as the new name for Rhydwaith Coleg Agored Cymru/Open College Network Wales. Agored Cymru is a company limited by guarantee (Company No 5133651) and a charity registered in England & Wales (Charity No 1105070).

The governing document under which the company operates is its Memorandum and Articles of Association.

The directors are treated as trustees for Charities Act purposes.

Trustee training
All trustees receive a formal induction programme and ongoing training to support the execution of their responsibilities and legal obligations. In addition, a formal strategic planning workshop is held as well as regular policy and regulatory updates.

The name of the Chief Executive Officer and other senior staff members to whom day to day management of the charity is delegated by the charity trustees

Chief Executive Officer	Darren Howells
Deputy Chief Executive Officer	Jo Creeden
Director of ICT, MIS & Operations	Matt Stanley (Resigned 2 May 2025)
Commercial Transformation Director	Osian George

Full details of all members of staff can be found on Agored Cymru's website www.agored.cymru.

Structure, governance and management *(continued)*

The organisational structure of the charity and how decisions are made

The Board consists of a maximum of 14 Trustees. Following an initial discussion with the Chief Executive and Chair of the Board new members follow a structured induction plan and are given ongoing support by an allocated member of the Board. The induction process provides detail on the following:

- Key responsibilities
- Articles of Association
- Financial performance of the charity
- Committee structure
- Overview of charity activities

The Agored Cymru Board leads the charity strategically and delegates detailed scrutiny relating to Quality and Regulation, and Finance and General Purposes (now Business, Finance and People) Committees. These committees make decisions aligned to their areas of responsibility and provide recommendations to the Board so that formal decisions if relevant, can be made.

The Board and sub committees operate within their respective Terms of Reference. The Board and committees are required to meet at least twice per year, although the Board will typically schedule at least 3 meetings per year. The Terms of Reference require each meeting to be fully quorate to either make decisions or recommendations to the Board.

The Chief Executive provides the Board with updates against all agreed priorities in each meeting, and senior and/or operational managers provide reports to the committees.

The day to day running of the charity is delegated to the Chief Executive who acts as lead officer to the Board. The Chief Executive and the Board appoint a Senior Management Team who ensure that the Strategic Priorities for the charity are fulfilled within the budget agreed by the Board.

The organisational structure ensures that the charity has the capacity to remain fully compliant with the requirements of qualification regulators, and that the objectives of the charity are achieved. The Product Development team develop new and review existing qualifications. A team of Business Development Managers sell them to current and new education and training providers. The Quality and Regulation team is tasked with ensuring that the qualifications are effectively quality assured with a robust focus on regulatory compliance. A wider team of coordinators and administrative staff provide the infrastructure that enables the timely issue of qualification certificates and the delivery of effective customer service.

Structure, governance and management *(continued)*

The major risks to which the charity is exposed and reviews and systems in place to mitigate those risks

The risk register is kept under review to record emerging risks, inform action plans to manage and mitigate all active risks and ensure risks can be reported to regulators. Key risks identified by the Board are linked to:

- Customers and Products
- Finance
- External education landscape and policy
- Regulation
- Human Resources/Learning and Development
- Internal Systems and Processes
- Organisational change
- Mass impact of service

Objectives and activities

A summary of the objects of the Charity as set out in its governing document

The key objective of Agored Cymru is to enable individuals to achieve the skills and qualifications they need to maximise their potential, enrich their lives and to contribute to their communities and a strong economy. This is demonstrated by creating products and services that:

- are developed in response to policy drivers in Wales and/or England and the needs of individuals and the wider economy;
- address current and future skills gaps across the regions within which we operate;
- are designed to embrace diversity, inclusion and equal opportunity;
- enable individuals to maximise their potential and through learning develop wellbeing and the skills to drive social and economic mobility.

A summary of the strategic aims of the charity
In furtherance of these objectives Agored Cymru has the following strategic aims to:

- be the Awarding Organisation and Access Validating Agency of choice
- develop an innovative portfolio of industry leading regulatory compliant and viable qualifications, units and services
- promote learning, education and training as a means of progression
- be resilient through innovation, creativity and flexibility

Achievements and performance

Agored Cymru operates in an environment characterised by funding pressures and external factors that affect many of its beneficiaries. These beneficiaries are typically schools, colleges, training providers and a network of third sector charities that provide education and training opportunities. The financial pressure on adult learners increased in 2024. A reduction in learner numbers in certain non-funded qualifications has been seen as personal investment in education has become less of a priority.

The performance of the charity in 2024 has been good with all strategic priorities for the period achieved. These have included achieving a financial surplus to ensure the continued viability of Agored Cymru, an evaluation and strengthening of organisational service standards to improve customer service, full regulatory compliance including a successful regulatory audit and a sustained growth in the number of centres including schools using Agored Cymru qualifications.

Operational model

Since the Covid 19 pandemic, Agored Cymru has continued to operate a hybrid operational model to support its staff in carrying out their activities and operations. Hybrid working has continued with staff working three days in an office and two days at home. Investment has been made in our electronic certificate offer with less reliance on producing printed certificates. Training and centre support events have continued with most activities run online.

A change to the charging model where centres are invoiced on registration rather than at completion has been implemented and has positively affected cashflow and the level of financial reserves

Financial review

Transactions and financial position
The Statement of Financial Activities shown on page 13 to the accounts discloses net incoming resources, after other recognised gains and losses, of £745,975 (2023: incoming £546,612).

Total reserves at the year-end stand at £2,976,412 (2023: £2,230,437). All reserves of the charity are unrestricted.

The principal source of funding for the charity is shown in note 5 to the accounts.

Specific changes in fixed assets
All movements in fixed assets are shown in note 16 to the accounts.

Reserves Policy
The Board has set a reserves policy that requires:

- Funds are to be maintained at a level that ensures core activity can continue for three months in the event of disruption of income streams;
- Funds are to be maintained in a readily realisable form;

The policy allows review on an annual basis.

During the year the reserves policy objectives were achieved and reserves were considered adequate in the light of the defined benefit pension liabilities.

Financial review *(continued)*

Public benefit
The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Plans for future periods

A Five-Year Strategic Plan was created and agreed by the Board at the start of 2021. The organisation now has a clear focus on specific areas within which Agored Cymru will focus its product development, sales and marketing on. These include the health sector, Schools, Further Education, Work Based Learning and Access to Higher Education. A Business Development Strategy agreed in 2020 underpins the Strategic Plan with the key aim of reaching more learners. The Business Strategy is to be reviewed and updated in Q2 2025 in line with external factors and organisational demands.

The charity will target a further surplus in 2025. Agored Cymru qualifications have previously only been available on a regulated basis in Wales. However, since gaining recognition as an Ofqual regulated awarding organisation there is focus on increasing learner numbers in England.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

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

The trustees' annual report was approved on 25 June 2025 and signed on behalf of the board of trustees by:

Katy Burns

K Burns
Chair of the Board

Opinion

We have audited the financial statements of Agored Cymru (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted

- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance

- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice

- Noting issues discussed with the Board and the Senior Management Team as this relates to risks faced by the company

- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations

- Auditing the risk of management override of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Zoe Goodwin BSc FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

25 June 2025

Agored Cymru

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2024

	Note	2024 Unrestricted funds £	2024 Total funds £	2023 Total funds £
Income and endowments				
Charitable activities	5	2,507,705	2,507,705	2,164,824
Other trading activities	6	464	464	–
Investment income	7	24,800	24,800	15,902
Total income		2,532,969	2,532,969	2,180,726
Expenditure				
Expenditure on charitable activities	8,9	1,938,994	1,938,994	1,695,114
Total expenditure		1,938,994	1,938,994	1,695,114
Net actuarial gain on defined benefit pension	12	152,000	152,000	61,000
Net income and net movement in funds		745,975	745,975	546,612
Reconciliation of funds				
Total funds brought forward		2,230,437	2,230,437	1,683,825
Total funds carried forward		2,976,412	2,976,412	2,230,437

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 29 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Financial Position

31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	**16**	32,929	37,443
Current assets			
Stocks	**17**	2,305	7,373
Debtors	**18**	453,351	405,371
Cash at bank and in hand		2,095,588	1,534,966
		2,551,244	1,947,710
Creditors: amounts falling due within one year	**19**	90,761	85,716
Net current assets		2,460,483	1,861,994
Total assets less current liabilities		2,493,412	1,899,437
Pensions and other post-retirement benefits	**20**	(483,000)	(331,000)
Net assets		2,976,412	2,230,437
Funds of the charity			
Unrestricted funds		2,976,412	2,230,437
Total charity funds	**22**	2,976,412	2,230,437

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

These financial statements were approved by the board of trustees and authorised for issue on 25 June 2025, and are signed on behalf of the board by:

Katy Burns

K Burns
Chair of the Board

The notes on pages 16 to 29 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income	745,975	546,612
Adjustments for:		
Depreciation of tangible fixed assets	18,264	18,868
Other interest receivable and similar income	(24,800)	(15,902)
Accrued income	(871)	(63,549)
Changes in:		
Stocks	5,068	8,317
Trade and other debtors	(47,980)	(145,103)
Trade and other creditors	5,916	9,635
Provisions and employee benefits	(152,000)	(61,000)
Cash generated from operations	549,572	297,878
Interest received	24,800	15,902
Net cash from operating activities	574,372	313,780
Cash flows from investing activities		
Purchase of tangible assets	(13,750)	(28,319)
Net cash used in investing activities	(13,750)	(28,319)
Net increase in cash and cash equivalents	560,622	285,461
Cash and cash equivalents at beginning of year	1,534,966	1,249,505
Cash and cash equivalents at end of year	2,095,588	1,534,966

The notes on pages 16 to 29 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Llys Onnen, Ffordd Y Llyn, Parc Menai, Bangor, Gwynedd, LL57 4DF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. **Accounting policies** *(continued)*

Incoming resources *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Leasehold Property Improvements	-	over the primary term of the lease

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

3. **Accounting policies** *(continued)*

Retirement benefit plans

The employees of the charity are members of one of several pension schemes as follows:

Rhondda Cynon Taf County Borough Council Pension Fund
The Rhondda Cynon Taf County Borough Council Pension Fund (the Fund) is part of the Local Government Pension Scheme. The charity recognises a defined net benefit pension asset or liability in the statement of financial position as the difference between the net total of the present value of its obligations and the fair value of scheme assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Scheme surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational pension scheme. The scheme is governed by statutory regulations (currently statutory instruments), these being: The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions to the scheme are set at rates determined by the Secretary of State, taking advice from the scheme's actuary. Contributions received from members are used to offset payments to current pensioners with the balance of funding provided by Parliament. The scheme's administrative expenses are borne by scheme employers, payable as a percentage of pensionable earnings. Accordingly, the charity accounts for contributions payable to the scheme as if the schemes were defined contribution schemes, as is required by IAS 19 Employee Benefits.

Aegon Scottish Equitable
This is a defined contribution plan. Contributions are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst they are still a member or within one year thereafter.

Number of members as at 31 December 2024 is 7 (2023: 10).

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Centre fees	182,053	182,053	174,952	174,952
Accreditation	2,199,272	2,199,272	1,854,220	1,854,220
Training & projects	85,683	85,683	127,820	127,820
Other income	4,980	4,980	7,832	7,832
Cymysterau Cymru Welsh Language Support Grant	35,717	35,717	–	–
	2,507,705	2,507,705	2,164,824	2,164,824

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Room hire	464	464	–	–

7. Investment income

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	24,800	24,800	15,902	15,902

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Accreditation services	1,938,994	1,938,994	1,695,114	1,695,114

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	**Total funds 2024 £**	Total fund 2023 £
Accreditation services	1,938,994	1,938,994	1,695,114

10. Analysis of support costs

	Accreditation services £	**Total 2024 £**	Total 2023 £
Staff costs	1,353,853	1,353,853	1,130,187
Communications and IT	114,895	114,895	104,576
Rent, Storage & Utilities	112,800	112,800	127,007
Certification costs	65,340	65,340	64,035
External Verification & Training	59,412	59,412	63,641
Development costs	19,532	19,532	21,082
Marketing	77,599	77,599	44,997
Office Expenses & Other costs	37,085	37,085	34,326
Audit, Legal & Membership Fees	64,636	64,636	69,800
Travel & Subsistence	15,578	15,578	16,595
Depreciation	18,264	18,264	18,868
	1,938,994	1,938,994	1,695,114

11. 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.

12. Net gains on investments

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Net actuarial gain on defined benefit pension (see notes 20 & 21)	152,000	152,000	61,000	61,000

13. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	18,264	18,868
Fees paid to the auditor:		
For the audit of the financial statements	6,818	6,432
For non-audit services	20,394	20,580

14. Staff costs

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

	2024 £	2023 £
Wages and salaries	1,353,853	1,130,187

The average head count of employees during the year was 27 (2023: 24). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Provision of accreditation services	26	23

The number of employees whose remuneration for the year fell within the following bands, were:

	2024 No.	2023 No.
£80,000 to £89,999	1	1

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £302,578 (2023: £226,847).

15. Trustee remuneration and expenses

Expenses totalling £257 (2023: £247, paid to one trustee) was reimbursed to one trustee during the year in relation to travelling expenses.

Other than the above, no trustees or any persons connected with them have received any remuneration or expenses, either in the current year or in the prior year.

16. Tangible fixed assets

	Fixtures and fittings £	Leasehold Property Improvements £	**Total £**
Cost			
At 1 January 2024	143,455	129,342	272,797
Additions	13,750	–	13,750
Disposals	(32,400)	(2,655)	(35,055)
At 31 December 2024	124,805	126,687	251,492
Depreciation			
At 1 January 2024	116,791	118,563	235,354
Charge for the year	7,486	10,778	18,264
Disposals	(32,400)	(2,655)	(35,055)
At 31 December 2024	91,877	126,686	218,563
Carrying amount			
At 31 December 2024	32,928	1	32,929
At 31 December 2023	26,664	10,779	37,443

17. Stocks

	2024 £	2023 £
Certificate stock	2,305	7,373

18. Debtors

	2024 £	2023 £
Trade debtors	346,029	302,357
Prepayments and accrued income	107,322	103,014
	453,351	405,371

19. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	8,438	9,695
Accruals and deferred income	21,446	22,317
Social security and other taxes	47,629	43,485
Other creditors	13,248	10,219
	90,761	85,716

20. Pensions and other post-retirement benefits

	Pensions and similar obligations £
At 1 January 2024	(331,000)
Net actuarial gain on defined benefit pension (see note 21)	(152,000)
At 31 December 2024	(483,000)

21. Pensions and other post-retirement benefits

During the year the charity made contributions to a number of pension schemes, including The Teachers' Pension Scheme (TPS) and the Rhondda Cynon Taf County Borough Council Pension Fund (RCT), the latter being a defined benefit scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pension Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis. These contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2020 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023.

The valuation report was published by the Department on 26 October 2023. The key results of the valuation are:

- employer contribution rates were set at 28.6% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;

- total scheme liabilities for service to the effective date of £2620 billion, and notional assets of £222.2 billion, giving a notional past service deficit of £39.8 billion;

- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in April 2024. A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

https://www.teacherspensions.co.uk//media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report-261023-002.ashx?rev=ce6495ad5d634cc2b6cdb8f5236a8a60&hash=50B1DED6197AB8742CDB7115F8D74093

21. Pensions and other post-retirement benefits *(Continued)*

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT)

The results below relate to the funded liabilities with the Fund which is part of the Local Government Pension Scheme (the LGPS). The funded nature of the LGPS requires the employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

Date of the last full valuation of the employer's LGPS funded benefits - 31 March 2022
Expected employer contribution next year - £14,000
Duration of liabilities - 23.7 years

Key assumptions

	2024	2023
	%	%
Discount rate	5.50	4.40
CPI inflation	2.50	2.40
Pension increases	2.50	2.40
Pension accounts revaluation rate	2.50	2.40
Salary increases	3.75	3.65

Mortality assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	2024	2023
Males		
Members aged 65 at accounting date	21	21
Members aged 45 at accounting date	22	22
Females		
Member aged 65 at accounting date	24	24
Member aged 45 at accounting date	25	25

Asset allocation

	2024		2023	
	%	£	%	£
Equities	64.4	575,000	69.7	568,000
Property	6.1	54,000	7.1	58,000
Government bonds	11.5	103,000	9.7	79,000
Corporate bonds	15.2	136,000	12.2	99,000
Cash	0.5	4,000	0.3	2,000
Other	2.3	21,000	1.0	8,000
	100	893,000	100	814,000

21. Pensions and other post-retirement benefits *(Continued)*

Reconciliation of funded status to Statement of Financial Position

	2024 £	2023 £
Fair value of assets	893,000	814,000
Present value of funded defined benefit obligation	(410,000)	(483,000)
Funded status	483,000	331,000

The split of the liabilities at the last valuation between various categories of members is as follows:

	2024 %	2023 %
Active members	88	88
Deferred pensioners	12	12

Amounts recognised in the Statement of Financial Activities

	2024 £	2023 £
Operating cost		
Current service cost	8,000	8,000
Financing cost		
Interest on net defined benefit liability/(asset)	(15,000)	(12,000)
Pension expense recognised in the Statement of Financial Activities	(7,000)	(4,000)

Amounts recognised in other comprehensive income

	2024 £	2023 £
Asset (losses)/gains arising during the period	27,000	58,000
Actuarial gains/(losses) due to changes in financial assumptions	109,000	1,000
Actuarial gains/(losses) due to changes in demographic assumptions	4,000	8,000
Actuarial gains/(losses) due to liability experience	(8,000)	(23,000)
Total amount recognised in other comprehensive income	132,000	44,000

Changes to the present value of the defined benefit obligation

	2024 £	2023 £
Opening defined benefit obligation	483,000	438,000
Current service cost	8,000	8,000
Interest expense on defined benefit obligation	21,000	20,000
Contributions by participants	3,000	3,000
Actuarial gains/(losses) due to changes in financial assumptions	(109,000)	(1,000)
Actuarial gains/(losses) due to changes in demographic assumptions	(4,000)	(8,000)
Actuarial gains/(losses) due to liability experience	8,000	23,000
Closing defined benefit obligation	410,000	483,000

21. Pensions and other post-retirement benefits *(Continued)*

Changes to the fair value of assets

	2024	2023
	£	£
Opening fair value of assets	814,000	708,000
Interest income on assets	36,000	32,000
Remeasurement (losses)/gains on assets	27,000	58,000
Contributions by the employer	13,000	13,000
Contributions by the participants	3,000	3,000
Closing fair value of assets	893,000	814,000

Actual return on assets

	2024	2023
	£	£
Interest income on assets	36,000	32,000
Gains/(loss) on assets	27,000	58,000
Actual return on assets	63,000	90,000

22. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2024	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2024
	£	£	£	£	£	£
General funds	2,230,437	2,532,969	(1,938,994)	(250,000)	152,000	2,726,412
Designated Fund - ICT Development Costs	–	–	–	250,000	–	250,000
	2,230,437	2,532,969	(1,938,994)	–	152,000	2,976,412

	At 1 Jan 2023	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2023
	£	£	£	£	£	£
General funds	1,683,825	2,180,726	(1,695,114)	–	61,000	2,230,437
Designated Fund - ICT Development Costs	–	–	–	–	–	–
	1,683,825	2,180,726	(1,695,114)	–	61,000	2,230,437

Designated Fund - ICT Development Costs
During the year, the board took the decision to designate £250,000 of the charity's unrestricted general funds to support infrastructure investment projects and future ICTdevelopment costs.

23. Analysis of net assets between funds

	Unrestricted Funds £	**Total Funds 2024 £**
Tangible fixed assets	32,929	32,929
Current assets	2,551,244	2,551,244
Creditors less than 1 year	(90,761)	(90,761)
Defined benefit pension	483,000	483,000
Net assets	2,976,412	2,976,412

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	37,443	37,443
Current assets	1,947,710	1,947,710
Creditors less than 1 year	(85,716)	(85,716)
Defined benefit pension	331,000	331,000
Net assets	2,230,437	2,230,437

24. Analysis of changes in net debt

	At 1 Jan 2024 £	Cash flows £	**At 31 Dec 2024 £**
Cash at bank and in hand	1,534,966	560,622	2,095,588

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Not later than 1 year	–	44,254
Later than 1 year and not later than 5 years	32,732	16,815
	32,732	61,069

26. Limitation of auditor's liability

By way of a board resolution the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £50,000 per claim.

27. Related parties

No transactions with related parties were undertaken such as are required to be disclosed under FRS102.

AGORED CYMRU

England & Wales - Charity number 1105070

Accounts

COMPANY REGISTRATION NUMBER: 5133651
CHARITY REGISTRATION NUMBER: 1105070

Agored Cymru

Company Limited by Guarantee

Financial Statements

31 December 2023

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Agored Cymru

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

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Agored Cymru

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	Agored Cymru
Charity registration number	1105070
Company registration number	5133651
Principal office and registered office	4 Llys Onnen Ffordd Y Llyn Parc Menai Bangor Gwynedd LL57 4DF

The trustees

E V Barrett	(Resigned 31 January 2024)
K Burns	
M Davies	
C D Mather	
S Rehman Khan	(Resigned 20 March 2024)
A Smith	(Resigned 31 March 2023)
C Swain	(Resigned 15 May 2023)
H Swayne	
K Workman	(Resigned 24 March 2024)
Dr J Jones	(Appointed 1 September 2023)
Dr C Kell	(Appointed 1 July 2023)
C Rees	(Appointed 1 September 2023)

Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF

Structure, governance and management

Agored Cymru was registered with Companies House on 12 October 2009 as the new name for Rhydwaith Coleg Agored Cymru/Open College Network Wales. Agored Cymru is a company limited by guarantee (Company No 5133651) and a charity registered in England & Wales (Charity No 1105070).

The governing document under which the company operates is its Memorandum and Articles of Association.

The directors are treated as trustees for Charities Act purposes.

Trustee training
All trustees receive a formal induction programme and ongoing training to support the execution of their responsibilities and legal obligations. In addition, a formal strategic planning workshop is held as well as regular policy and regulatory updates.

The name of the Chief Executive Office and other senior staff members to whom day to day management of the charity is delegated by the charity trustees

Chief Executive Officer	Darren Howells
Deputy Chief Executive Officer	Jo Creeden
Director of ICT, MIS & Operations	Matt Stanley

Full details of all members of staff can be found on Agored's website www.agored.cymru.

Structure, governance and management ***(continued)***

The organisational structure of the charity and how decisions are made

The Board consists of a maximum of 14 Trustees. Following an initial discussion with the Chief Executive and Chair of the Board new members follow a structured induction plan and are given ongoing support by an allocated member of the Board. The induction process provides detail on the following:

- Key responsibilities
- Articles of Association
- Financial performance of the charity
- Committee structure
- Overview of charity activities

The Agored Cymru Board leads the charity strategically and delegates detailed scrutiny relating to Quality and Regulation, and Finance and General Purposes to 2 committees. These committees make recommendations to the Board so that decisions can be made.

The Board and sub committees each operate within their respective Terms of Reference. The Board and committees are required to meet at least twice per year, although the Board will typically schedule at least 3 meetings per year. The Terms of Reference require each meeting to be fully quorate in order to either make decisions or recommendations to the Board.

The Chief Executive provides the Board with updates against all agreed priorities in each meeting, and senior and/or operational managers also provide reports to the committees.

The day to day running of the charity is delegated to the Chief Executive who acts as lead officer to the Board. The Chief Executive and the Board appoint a Senior Management Team who ensure that the Strategic Priorities for the charity are fulfilled within the budget agreed by the Board.

The organisational structure ensures that the charity has the capacity to remain fully compliant with the requirements of qualification regulators, and that the objectives of the charity are achieved. The Product Development team develop new and review existing qualifications. A team of Business Development Managers sell them to current and new education and training providers. The Quality and Regulation team is tasked with ensuring that the qualifications are effectively quality assured with a robust focus on regulatory compliance. A wider team of coordinators and administrative staff provide the infrastructure that enables the timely issue of qualification certificates and the delivery of effective customer service.

Structure, governance and management ***(continued)***

The major risks to which the charity is exposed and reviews and systems in place to mitigate those risks

The risk register is kept under review to record emerging risks, inform action plans to manage and mitigate all active risks and ensure risks can be reported to regulators. Key risks identified by the Board are linked to:

- Customers and Products
- Finance
- External education landscape and policy
- Regulation
- Human Resources/Learning and Development
- Internal Systems and Processes
- Organisational change
- Mass impact of service

Objectives and activities

A summary of the objects of the Charity as set out in its governing document

The key objective of Agored Cymru is to enable individuals to achieve the skills and qualifications they need to maximise their potential, enrich their lives and to contribute to their communities and a strong economy. This is demonstrated by creating products and services that:

- are developed in response to policy drivers in Wales and/or England and the needs of individuals and the wider economy;
- address current and future skills gaps across the regions within which we operate;
- are designed to embrace diversity, inclusion and equal opportunity;
- enable individuals to maximise their potential and through learning develop wellbeing and the skills to drive social and economic mobility;

A summary of the strategic aims of the charity
In furtherance of these objectives Agored Cymru has the following strategic aims to:

- be the Awarding Organisation and Access Validating Agency of choice
- develop an innovative portfolio of industry leading regulatory compliant and viable qualifications, units and services
- promote learning, education and training as a means of progression
- be resilient through innovation, creativity and flexibility

Achievements and performance

Agored Cymru operates in an environment characterised by funding pressures and external factors that affect many of its beneficiaries. These beneficiaries are typically schools, colleges, training providers and a network of third sector charities that provide education and training opportunities. The financial pressure on adult learners increased in 2023. A reduction in learner numbers in certain non-funded qualifications has been seen as personal investment in education has become less of a priority.

The performance of the charity in 2023 has been good with all strategic priorities for the period achieved. These have included achieving a financial surplus to ensure the continued viability of Agored Cymru, an evaluation and strengthening of organisational service standards to improve customer service, full regulatory compliance including a successful regulatory audit and a sustained growth in the number of centres including schools using Agored Cymru qualifications.

Operational model
Since the Covid 19 pandemic, Agored Cymru has continued to operate a hybrid operational model to support its staff in carrying out their activities and operations. Hybrid working has continued with staff working three days in an office and two days at home. Investment has been made in our electronic certificate offer with less reliance on producing printed certificates. Training and centre support events have continued with most activities run online.

A change to the charging model where centres are invoiced on registration rather than at completion has been implemented and has positively affected cashflow and the level of financial reserves.

Financial review

Transactions and financial position
The Statement of Financial Activities shown on page 13 to the accounts discloses net incoming resources, after other recognised gains and losses, of £546,612 (2022: incoming £302,663).

Total reserves at the year end stand at £2,230,437 (2022: £1,683,825). All reserves of the charity are unrestricted.

The principal source of funding for the charity is shown in note 5 to the accounts.

Specific changes in fixed assets
All movements in fixed assets are shown in note 15 to the accounts.

Reserves Policy
The Board has set a reserves policy that requires:

- Funds are to be maintained at a level that ensures core activity can continue for three months in the event of disruption of income streams;
- Funds are to be maintained in a readily realisable form;

The policy allows review on an annual basis.

During the year the reserves policy objectives were achieved and reserves were considered adequate in the light of the defined benefit pension liabilities.

Financial review ***(continued)***

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Plans for future periods

A Five-Year Strategic Plan was created and agreed by the Board at the start of 2021. The organisation now has a clear focus on specific areas within which Agored Cymru will focus its product development, sales and marketing on. These include the Health sector, Schools, Further Education, Work Based Learning and Access to Higher Education. A Business Development Strategy agreed in 2020 underpins the Strategic Plan with the key aim of reaching more learners.

The charity will target a further surplus in 2024. Agored Cymru qualifications have previously only been available on a regulated basis in Wales. However, since gaining recognition as an Ofqual regulated awarding organisation there is focus on increasing learner numbers in England.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

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

The trustees' annual report was approved on 12 June 2024 and signed on behalf of the board of trustees by:

K Burns
Trustee

Opinion

We have audited the financial statements of Agored Cymru (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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;
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted

- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance

- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice

- Noting issues discussed with the Board and the Senior Management Team as this relates to risks faced by the company

- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations

- Auditing the risk of management override of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Zoe Goodwin BSc FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

12 June 2024

Agored Cymru

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

	Note	2023 Unrestricted funds £	2023 **Total funds** £	2022 Total funds £
Income and endowments				
Charitable activities	**5**	2,164,824	2,164,824	1,622,834
Investment income	**6**	15,902	15,902	1,734
Total income		2,180,726	2,180,726	1,624,568
Expenditure				
Expenditure on charitable activities	**7,8**	1,695,114	1,695,114	1,620,905
Total expenditure		1,695,114	1,695,114	1,620,905
Net gains on investments	**11**	61,000	61,000	299,000
Net income and net movement in funds		546,612	546,612	302,663
Reconciliation of funds				
Total funds brought forward		1,683,825	1,683,825	1,381,162
Total funds carried forward		2,230,437	2,230,437	1,683,825

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 27 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**15**	37,443	27,992
Current assets			
Stocks	**16**	7,373	15,690
Debtors	**17**	405,371	260,268
Cash at bank and in hand		1,534,966	1,249,505
		1,947,710	1,525,463
Creditors: amounts falling due within one year	**18**	85,716	139,630
Net current assets		1,861,994	1,385,833
Total assets less current liabilities		1,899,437	1,413,825
Pensions and other retirement benefits	**19**	(331,000)	(270,000)
Net assets		2,230,437	1,683,825
Funds of the charity			
Unrestricted funds		2,230,437	1,683,825
Total charity funds	**21**	2,230,437	1,683,825

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

These financial statements were approved by the board of trustees and authorised for issue on 12 June 2024, and are signed on behalf of the board by:

K Burns
Trustee

The notes on pages 16 to 27 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income	546,612	302,663
Adjustments for:		
Depreciation of tangible fixed assets	18,868	16,446
Net gains on investments	(61,000)	(299,000)
Other interest receivable and similar income	(15,902)	(1,734)
Accrued income	(63,549)	(91,985)
Changes in:		
Stocks	8,317	9,389
Trade and other debtors	(145,103)	45,011
Trade and other creditors	9,635	(14,715)
Provisions and employee benefits	(61,000)	–
Cash generated from operations	236,878	(33,925)
Interest received	15,902	1,734
Net cash from/(used in) operating activities	252,780	(32,191)
Cash flows from investing activities		
Purchase of tangible assets	(28,319)	–
Proceeds from sale of other investments	61,000	–
Net cash from investing activities	32,681	–
Net increase/(decrease) in cash and cash equivalents	285,461	(32,191)
Cash and cash equivalents at beginning of year	1,249,505	1,281,696
Cash and cash equivalents at end of year	1,534,966	1,249,505

The notes on pages 16 to 27 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Llys Onnen, Ffordd Y Llyn, Parc Menai, Bangor, Gwynedd, LL57 4DF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Leasehold Property Improvements	-	over the primary term of the lease

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

3. Accounting policies *(continued)*

Retirement benefit plans

The employees of the charity are members of one of several pension schemes as follows:

Rhondda Cynon Taf County Borough Council Pension Fund

The Rhondda Cynon Taf County Borough Council Pension Fund (the Fund) is part of the Local Government Pension Scheme. The charity recognises a defined net benefit pension asset or liability in the statement of financial position as the difference between the net total of the present value of its obligations and the fair value of scheme assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Scheme surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the scheme.

The Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational pension scheme. The scheme is governed by statutory regulations (currently statutory instruments), these being: The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions to the scheme are set at rates determined by the Secretary of State, taking advice from the scheme's actuary. Contributions received from members are used to offset payments to current pensioners with the balance of funding provided by Parliament. The scheme's administrative expenses are borne by scheme employers, payable as a percentage of pensionable earnings. Accordingly, the charity accounts for contributions payable to the scheme as if the schemes were defined contribution schemes, as is required by IAS 19 Employee Benefits.

Scottish Equitable

This is a defined contribution plan. Contributions are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or paable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst they are still a member or within one year thereafter.

Number of members as at 31 December 2023 is 10 (2022: 9).

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Centre fees	174,952	174,952	162,669	162,669
Accreditation	1,854,220	1,854,220	1,355,998	1,355,998
Training & projects	127,820	127,820	87,130	87,130
Other income	7,832	7,832	17,037	17,037
	2,164,824	2,164,824	1,622,834	1,622,834

6. Investment income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	15,902	15,902	1,734	1,734

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Accreditation services	1,695,114	1,695,114	1,620,905	1,620,905

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	**Total funds 2023 £**	Total fund 2022 £
Accreditation services	1,695,114	1,695,114	1,620,905

9. Analysis of support costs

	Accreditation services £	**Total 2023 £**	Total 2022 £
Staff costs	1,130,187	1,130,187	1,125,098
Communications and IT	104,576	104,576	105,270
Rent, Storage & Utilities	127,007	127,007	121,027
Certification costs	64,035	64,035	51,660
External Verification & Training	63,641	63,641	64,194
Development costs	21,082	21,082	9,314
Marketing	44,997	44,997	33,212
Office Expenses & Other costs	34,326	34,326	26,922
Audit, Legal & Membership Fees	69,800	69,800	59,879
Travel & Subsistence	16,595	16,595	7,883
Depreciation	18,868	18,868	16,446
	1,695,114	1,695,114	1,620,905

10. 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.

11. Net gains on investments

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Gains/(losses) on other investment assets	61,000	61,000	299,000	299,000

12. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	18,868	16,446
Fees paid to the auditor:		
For the audit of the financial statements	6,432	6,180
For non-audit services	20,580	20,120

13. Staff costs

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

	2023	2022
	£	£
Wages and salaries	1,130,187	1,125,098

The average head count of employees during the year was 24 (2022: 25). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Provision of accreditation services	23	24

The number of employees whose remuneration for the year fell within the following bands, were:

	2023	2022
	No.	No.
£70,000 to £79,999	–	1
£80,000 to £89,999	1	–
	1	1

14. Trustee remuneration and expenses

Expenses totalling £247 (2022: £138, paid to one trustee) was reimbursed to one trustee during the year in relation to travelling expenses.

Other than the above, no trustees or any persons connected with them have received any remuneration or expenses, either in the current year or in the prior year.

15. Tangible fixed assets

	Fixtures and fittings £	Leasehold Property Improvements £	**Total £**
Cost			
At 1 January 2023	177,148	131,043	308,191
Additions	28,319	–	28,319
Disposals	(62,012)	(1,701)	(63,713)
At 31 December 2023	143,455	129,342	272,797
Depreciation			
At 1 January 2023	170,997	109,202	280,199
Charge for the year	7,806	11,062	18,868
Disposals	(62,012)	(1,701)	(63,713)
At 31 December 2023	116,791	118,563	235,354
Carrying amount			
At 31 December 2023	26,664	10,779	37,443
At 31 December 2022	6,151	21,841	27,992

16. Stocks

	2023 £	2022 £
Certificate stock	7,373	15,690

17. Debtors

	2023 £	2022 £
Trade debtors	302,357	163,865
Prepayments and accrued income	103,014	96,403
	405,371	260,268

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	9,695	3,077
Accruals and deferred income	22,317	85,866
Social security and other taxes	43,485	40,824
Other creditors	10,219	9,863
	85,716	139,630

19. Pensions and other retirement benefits

During the year the charity made contributions to a number of pension schemes, including The Teachers' Pension Scheme (TPS) and the Rhondda Cynon Taf County Borough Council Pension Fund (RCT), which is a defined benefit scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pension Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis (
these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 5 March 2019. The key results of the valuation are:

- employer contribution rates were set at 22.8% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £218.1 billion, and notional assets of £196.1 billion, giving a notional past service deficit of £22.0 billion;
- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2019. A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

https://www.teacherspensions.co.uk/-/media/documents/member/documents/news-items/teachers-pension-scheme-actuarial-valuation-2016.ashx?rev=1d463cd3f4344c199ca0c2bcf193dc90&hash=D90840D6F4AF06461F6D927C4E6265B0

20. Pensions and other post retirement benefits

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT)

The results below relate to the funded liabilities with the Fund which is part of the Local Government Pension Scheme (the LGPS). The funded nature of the LGPS requires the employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

Date of the last full valuation of the employer's LGPS funded benefits - 31 March 2022
Expected employer contribution next year - £13,000
Duration of liabilities - 25.2 years

Key assumptions

	2023	2022
	£	£
Discount rate	4.40	4.50
CPI inflation	2.40	2.50
Pension increases	2.40	2.50
Pension accounts revaluation rate	2.40	2.50
Salary increases	3.65	3.75

Mortality assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	2023	2022
	£	£
Males		
Members aged 65 at accounting date	21.0	21.6
Members aged 45 at accounting date	22.2	22.6
Females		
Member aged 65 at accounting date	23.7	23.9
Member aged 45 at accounting date	25.1	25.4

Asset allocation

	Value at 31 December 2023		Value at 31 December 2022	
	%	£	%	£
Equities	69.7	568,000	68.1	482,000
Property	7.1	58,000	7.8	55,000
Government bonds	9.7	79,000	10.5	74,000
Corporate bonds	12.2	99,000	12.4	88,000
Cash	0.3	2,000	0.7	5,000
Other	1.0	8,000	0.5	4,000
	100	814,000	100	708,000

Reconciliation of funded status to Statement of Financial Position

	2023	2022
	£	£
Fair value of assets	814,000	708,000
Present value of funded defined benefit obligation	(483,000)	(438,000)
Funded status	331,000	270,000

The split of the liabilities at the last valuation between various categories of members is as follows:

	2023	2022
	%	%
Active members	88	85
Deferred pensioners	12	15

Amounts recognised in the Statement of Financial Activities

	2023	2022
	£	£
Operating cost		
Current service cost	8,000	26,000
Financing cost		
Interest on net defined benefit liability/(asset)	(12,000)	–
Pension expense recognised in the Statement of Financial Activities	(4,000)	26,000

Amounts recognised in other comprehensive income

	2023	2022
	£	£
Asset (losses)/gains arising during the period	58,000	(141,000)
Actuarial gains/(losses) due to changes in financial assumptions	1,000	495,000
Actuarial gains/(losses) due to changes in demographic assumptions	8,000	4,000
Actuarial gains/(losses) due to liability experience	(23,000)	(50,000)
Total amount recognised in other comprehensive income	44,000	308,000

Changes to the present value of the defined benefit obligation

	2023	2022
	£	£
Opening defined benefit obligation	438,000	842,000
Current service cost	8,000	26,000
Interest expense on defined benefit obligation	20,000	16,000
Contributions by participants	3,000	3,000
Actuarial gains/(losses) due to changes in financial assumptions	(1,000)	(495,000)
Actuarial gains/(losses) due to changes in demographic assumptions	(8,000)	(4,000)
Actuarial gains/(losses) due to liability experience	23,000	50,000
Closing defined benefit obligation	483,000	438,000

Changes to the fair value of assets

	2023	2022
	£	£
Opening fair value of assets	708,000	813,000
Interest income on assets	32,000	16,000
Remeasurement (losses)/gains on assets	58,000	(141,000)
Contributions by the employer	13,000	17,000
Contributions by the participants	3,000	3,000
Closing fair value of assets	814,000	708,000

Actual return on assets

	2023	2022
	£	£
Interest income on assets	32,000	16,000
Gains/(loss) on assets	58,000	(141,000)
Actual return on assets	90,000	(125,000)

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	Gains and losses	**At 31 December 2023**
	£	£	£	£	£
General funds	1,683,825	2,180,726	(1,695,114)	61,000	2,230,437

	At 1 January 2022	Income	Expenditure	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	1,381,162	1,624,568	(1,620,905)	299,000	1,683,825

22. Analysis of net assets between funds

	Unrestricted Funds £	**Total Funds 2023 £**
Tangible fixed assets	37,443	37,443
Current assets	1,947,710	1,947,710
Creditors less than 1 year	(85,716)	(85,716)
Defined benefit pension	331,000	331,000
Net assets	2,230,437	2,230,437

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	27,992	27,992
Current assets	1,520,231	1,520,231
Creditors less than 1 year	(134,398)	(134,398)
Defined benefit pension	270,000	270,000
Net assets	1,683,825	1,683,825

23. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	**At 31 Dec 2023 £**
Cash at bank and in hand	1,249,505	285,461	1,534,966

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than 1 year	44,254	615
Later than 1 year and not later than 5 years	16,815	126,401
	61,069	127,016

25. Limitation of auditors liability

By way of a board resolution the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £50,000 per claim.

26. Related parties

No transactions with related parties were undertaken such as are required to be disclosed under FRS102.

AGORED CYMRU

England & Wales - Charity number 1105070

Accounts

COMPANY REGISTRATION NUMBER: 5133651
CHARITY REGISTRATION NUMBER: 1105070

Agored Cymru

Company Limited by Guarantee

Financial Statements

31 December 2022

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Agored Cymru

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2022

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Agored Cymru

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Registered charity name	Agored Cymru
Charity registration number	1105070
Company registration number	5133651
Principal office and registered office	4 Llys Onnen Ffordd Y Llyn Parc Menai Bangor Gwynedd LL57 4DF

The trustees

E V Barrett	
K Burns	
M Davies	
P Martin	(Resigned 26 January 2022)
C D Mather	
S Rehman Khan	
A Smith	
C Swain	
H Swayne	
K Workman	

Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF

Structure, governance and management

Agored Cymru was registered with Companies House on 12 October 2009 as the new name for Rhydwaith Coleg Agored Cymru/Open College Network Wales. Agored Cymru is a company limited by guarantee (Company No 5133651) and a charity registered in England & Wales (Charity No 1105070).

The governing document under which the company operates is its Memorandum and Articles of Association.

The directors are treated as trustees for Charities Act purposes.

Structure, governance and management *(continued)*

Trustee training

In addition to formal induction where trustees receive training regarding their responsibilities and legal obligations, inputs are provided throughout the year. These include a formal strategic planning session and policy and regulatory updates.

The name of the Chief Executive Office and other senior staff members to whom day to day management of the charity is delegated by the charity trustees

Chief Executive Officer	Darren Howells
Deputy Chief Executive Officer	Jo Creeden
Director of ICT, MIS & Operations	Matt Stanley

Full details of all members of staff can be found on Agored's website www.agored.cymru.

The organisational structure of the charity and how decisions are made

The Board appoints Directors up to a maximum of 14 Trustees. Following an initial discussion with the Chief Executive and Chair of the Board new members follow a structured induction plan and are given ongoing support by an allocated member of the Board. The induction process provides detail on the following:

- Key responsibilities
- Articles of Association
- Financial performance of the charity
- Committee structure
- Overview of charity activities

The Agored Cymru Board leads the charity strategically and delegates detailed scrutiny relating to Quality and Regulation, and Finance and General Purposes to 2 committees. These committees make recommendations to the Board so that decisions can be made.

The Board and sub committees each operate within their respective Terms of Reference. The Board and committees are required to meet at least twice per year, although the Board will typically schedule at least 3 meetings per year. The Terms of Reference require each meeting to be fully quorate in order to either make decisions or recommendations to the Board.

The Chief Executive provides the Board with updates against all agreed priorities in each meeting, and senior managers also provide reports to the committees.

The day to day running of the charity is delegated to the Chief Executive who acts as lead officer to the Board. The Chief Executive and the Board appoint a Senior Management Team who ensure that the Strategic Priorities for the charity are fulfilled within the budget agreed by the Board.

The organisational structure ensures that the charity has the capacity to remain fully compliant with the requirements of qualification regulators, and that the objectives of the charity are achieved. A Product Development team develop new qualifications and a team of Business Development Managers sell them to education and training providers. The Quality and Regulation team is tasked with ensuring that the qualifications are effectively quality assured with a robust focus on regulatory compliance. A A wider team of coordinators and administrative staff provide the infrastructure that enables the timely issue of qualification certificates and the delivery of effective customer service.

Structure, governance and management *(continued)*

The major risks to which the charity is exposed and reviews and systems in place to mitigate those risks

The risk register is kept under review to record emerging risks, inform action plans to manage and mitigate all active risks and ensure risks can be reported to regulators. Key risks identified by the Board are linked to:

- Customers and Products
- Finance
- The external education landscape and policy
- Changes to regulation
- Organisational capacity and capabilities
- Systems and processes
- Organisational change
- Mass impact of service

Objectives and activities

A summary of the objects of the Charity as set out in its governing document

The key objective of Agored Cymru is to enable individuals to achieve the skills and qualifications they need to maximise their potential, enrich their lives and to contribute to their communities and a strong economy. This is demonstrated by creating products and services that:

- are developed in response to policy drivers in Wales and/or England and the needs of individuals and the wider economy;
- address current and future skills gaps across the regions within which we operate;
- are designed to embrace diversity, inclusion and equal opportunity;
- enable individuals to maximise their potential and through learning develop wellbeing and the skills to drive social and economic mobility;

A summary of the strategic aims of the charity

In furtherance of these objectives Agored Cymru has the following strategic aims to:

- be the Awarding Organisation and Access Validating Agency of choice
- develop an innovative portfolio of industry leading regulatory compliant and viable qualifications, units and services
- promote learning, education and training as a means of progression
- be resilient through innovation, creativity and flexibility

Achievements and performance

Agored Cymru operates in an environment characterised by funding pressures and external factors that affect many of its beneficiaries. These beneficiaries are typically schools, colleges, training providers and a network of third sector charities that provide education and training opportunities. The financial pressure on adult learners increased in 2022. A reduction in learner numbers in certain non-funded qualifications has been seen as personal investment in education has become less of a priority.

The performance of the charity in 2022 has been good with all strategic priorities for the period achieved. These have included achieving a surplus to ensure the continued viability of Agored Cymru, an evaluation and strengthening of organisational service standards to improve customer service, full regulatory compliance including a successful regulatory audit and a sustained growth in the number of centres including schools using Agored Cymru qualifications.

Operational model

Since the Covid 19 pandemic, Agored Cymru has significantly changed its operational model, its activities and operations. Hybrid working has continued with staff working three days in an office and two days at home. Investment has been made in our electronic certificate offer with less reliance on producing printed certificates. Training and centre support events have continued with most activities run online.

Financial review

Transactions and financial position

The Statement of Financial Activities shown on page 12 to the accounts discloses net incoming resources, after other recognised gains and losses, of £302,663 (2021: incoming £321,303).

Total reserves at the year end stand at £1,683,825 (2021: £1,381,162). All reserves of the charity are unrestricted.

The principal source of funding for the charity is shown in note 5 to the accounts.

Specific changes in fixed assets

All movements in fixed assets are shown in note 15 to the accounts.

Reserves Policy

The Board has set a reserves policy that requires:

- Funds are to be maintained at a level that ensures core activity can continue for three months in the event of disruption of income streams;
- Funds are to be maintained in a readily realisable form;

The policy allows review on an annual basis.

During the year the reserves policy objectives were achieved and reserves were considered adequate in the light of the defined benefit pension liabilities.

Financial review *(continued)*

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Plans for future periods

A Five-Year Strategic Plan was created and agreed by the Board at the start of 2021. The organisation now has a clear focus on specific areas within which Agored Cymru will focus its product development, sales and marketing on. These include the Health sector, Schools, Further Education, Work Based Learning and Access to Higher Education. A Business Development Strategy agreed in 2020 underpins the Strategic Plan with the key aim of reaching more learners.

The charity will target a further surplus in 2023. Agored Cymru qualifications have previously only been available on a regulated basis in Wales. However, since gaining recognition as an Ofqual regulated awarding organisation there is focus on increasing learner numbers in England.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

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

The trustees' annual report was approved on 23 May 2023 and signed on behalf of the board of trustees by:

Katy Burns

K Burns
Trustee

Opinion

We have audited the financial statements of Agored Cymru (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted

- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance

- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice

- Noting issues discussed with the Board and the Senior Management Team as this relates to risks faced by the company

- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations

- Auditing the risk of management override of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

- Considering the effect on risk to the company of the Covid-19 pandemic and the UK's departure from the EU. In particular to note whether any such issues would affect the company's ability to continue to operate.

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Zoë Goodwin BSc FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

23 May 2023

Agored Cymru

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2022

	Note	2022 Unrestricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments				
Charitable activities	5	1,622,834	1,622,834	1,677,750
Investment income	6	1,734	1,734	96
Total income		1,624,568	1,624,568	1,677,846
Expenditure				
Expenditure on charitable activities	7,8	1,620,905	1,620,905	1,451,543
Total expenditure		1,620,905	1,620,905	1,451,543
Net gains on investments	11	299,000	299,000	95,000
Net income and net movement in funds		302,663	302,663	321,303
Reconciliation of funds				
Total funds brought forward		1,381,162	1,381,162	1,059,859
Total funds carried forward		1,683,825	1,683,825	1,381,162

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 26 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	15	27,992	44,438
Current assets			
Stocks	16	15,690	25,079
Debtors	17	260,268	305,279
Cash at bank and in hand		1,249,505	1,281,696
		1,525,463	1,612,054
Creditors: amounts falling due within one year	18	139,630	246,330
Net current assets		1,385,833	1,365,724
Total assets less current liabilities		1,413,825	1,410,162
Pensions and other retirement benefits	19	(270,000)	29,000
Net assets		1,683,825	1,381,162
Funds of the charity			
Unrestricted funds		1,683,825	1,381,162
Total charity funds	21	1,683,825	1,381,162

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

These financial statements were approved by the board of trustees and authorised for issue on 23 May 2023, and are signed on behalf of the board by:

Katy Burns

K Burns
Trustee

The notes on pages 15 to 26 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	302,663	321,303
Adjustments for:		
Depreciation of tangible fixed assets	16,446	16,091
Net gains on investments	(299,000)	(95,000)
Other interest receivable and similar income	(1,734)	(96)
Accrued (income)/expenses	(91,985)	150,721
Changes in:		
Stocks	9,389	(5,502)
Trade and other debtors	45,011	41,724
Trade and other creditors	(14,715)	(1,427)
Cash generated from operations	(33,925)	427,814
Interest received	1,734	96
Net cash (used in)/from operating activities	(32,191)	427,910
Cash flows from investing activities		
Purchase of tangible assets	–	(1,765)
Net cash used in investing activities	–	(1,765)
Net (decrease)/increase in cash and cash equivalents	(32,191)	426,145
Cash and cash equivalents at beginning of year	1,281,696	855,551
Cash and cash equivalents at end of year	1,249,505	1,281,696

The notes on pages 15 to 26 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Llys Onnen, Ffordd Y Llyn, Parc Menai, Bangor, Gwynedd, LL57 4DF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. **Accounting policies** *(continued)*

Incoming resources *(continued)*

- to support businesses during the Covid-19 pandemic local and central Government have given businesses financial assistance through a variety of loans and grants. The total grant received in the year is shown as other income in the Statement of Financial Activities and relates to grants received under the HMRC Job Retention Scheme and the Welsh Government Economic Resilience Fund.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Leasehold Property Improvements	-	over the primary term of the lease

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

3. **Accounting policies** *(continued)*

Retirement benefit plans

The employees of the charity are members of one of several pension schemes as follows:

Rhondda Cynon Taf County Borough Council Pension Fund
The Rhondda Cynon Taf County Borough Council Pension Fund (the Fund) is part of the Local Government Pension Scheme. The charity recognises a defined net benefit pension asset or liability in the statement of financial position as the difference between the net total of the present value of its obligations and the fair value of scheme assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Scheme surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational pension scheme. The scheme is governed by statutory regulations (currently statutory instruments), these being: The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions to the scheme are set at rates determined by the Secretary of State, taking advice from the scheme's actuary. Contributions received from members are used to offset payments to current pensioners with the balance of funding provided by Parliament. The scheme's administrative expenses are borne by scheme employers, payable as a percentage of pensionable earnings. Accordingly, the charity accounts for contributions payable to the scheme as if the schemes were defined contribution schemes, as is required by IAS 19 Employee Benefits.

Scottish Equitable
This is a defined contribution plan. Contributions are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or paable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst they are still a member or within one year thereafter.

Number of members as at 31 December 2022 is 9 (2021: 10).

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Centre fees	162,669	162,669	166,154	166,154
Accreditation	1,355,998	1,355,998	1,352,543	1,352,543
Training & projects	87,130	87,130	142,961	142,961
Other income	17,037	17,037	16,092	16,092
	1,622,834	1,622,834	1,677,750	1,677,750

6. Investment income

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	1,734	1,734	96	96

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Accreditation services	1,620,905	1,620,905	1,451,543	1,451,543

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	**Total funds 2022 £**	Total fund 2021 £
Accreditation services	1,620,905	1,620,905	1,451,543

9. Analysis of support costs

	Accreditation services £	**Total 2022 £**	Total 2021 £
Staff costs	1,125,098	1,125,098	984,184
Communications and IT	105,270	105,270	93,654
Rent, Storage & Utilities	121,027	121,027	124,007
Certification costs	51,660	51,660	64,569
External Verification & Training	64,194	64,194	47,502
Development costs	9,314	9,314	2,281
Marketing	33,212	33,212	37,851
Office Expenses & Other costs	26,922	26,922	21,586
Audit, Legal & Membership Fees	59,879	59,879	59,094
Travel & Subsistence	7,883	7,883	724
Depreciation	16,446	16,446	16,091
	1,620,905	1,620,905	1,451,543

10. 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.

11. Net gains on investments

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Gains on other investment assets (See note 19)	299,000	299,000	95,000	95,000

12. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	16,446	16,091
Fees paid to the auditor:		
For the audit of the financial statements	6,180	5,712
For non-audit services	20,120	23,309

13. Staff costs

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

	2022	2021
	£	£
Wages and salaries	1,125,098	984,185

The average head count of employees during the year was 25 (2021: 25). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Provision of accreditation services	24	20

The number of employees whose remuneration for the year fell within the following bands, were:

	2022	2021
	No.	No.
£60,000 to £69,999	1	1

14. Trustee remuneration and expenses

Expenses totalling £138 (2021: £85, paid to one trustee) was reimbursed to one trustee during the year in relation to travelling expenses.

Other than the above, no trustees or any persons connected with them have received any remuneration or expenses, either in the current year or in the prior year.

15. Tangible fixed assets

	Fixtures and fittings £	Leasehold Property Improvements £	Total £
Cost			
At 1 January 2022 and 31 December 2022	177,148	131,043	308,191
Depreciation			
At 1 January 2022	165,472	98,281	263,753
Charge for the year	5,525	10,921	16,446
At 31 December 2022	170,997	109,202	280,199
Carrying amount			
At 31 December 2022	6,151	21,841	27,992
At 31 December 2021	11,676	32,762	44,438

16. Stocks

	2022 £	2021 £
Certificate stock	15,690	25,079

17. Debtors

	2022 £	2021 £
Trade debtors	163,865	206,850
Prepayments and accrued income	96,403	98,429
	260,268	305,279

18. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,077	21,896
Accruals and deferred income	85,866	177,851
Social security and other taxes	40,824	37,271
Other creditors	9,863	9,312
	139,630	246,330

19. Pensions and other retirement benefits

During the year the charity made contributions to a number of pension schemes, including The Teachers' Pension Scheme (TPS) and the Rhondda Cynon Taf County Borough Council Pension Fund (RCT), which is a defined benefit scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pension Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis (these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 5 March 2019. The key results of the valuation are:

- employer contribution rates were set at 22.8% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;

- total scheme liabilities for service to the effective date of £218.1 billion, and notional assets of £196.1 billion, giving a notional past service deficit of £22.0 billion;

- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2019. A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

https://www.teacherspensions.co.uk/-/media/documents/member/documents/news-items/teachers-pension-scheme-actuarial-valuation-2016.ashx?rev=1d463cd3f4344c199ca0c2bcf193dc90&hash=D90840D6F4AF06461F6D927C4E6265B0

20. Pensions and other post retirement benefits

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT)

The results below relate to the funded liabilities with the Fund which is part of the Local Government Pension Scheme (the LGPS). The funded nature of the LGPS requires the employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

Date of the last full valuation of the employer's LGPS funded benefits - 31 March 2019 Expected employer contribution next year - £18,000
Duration of liabilities - 30.8 years

Key assumptions

	2022 %	2021 %
Discount rate	4.50	1.90
CPI inflation	2.50	2.50
Pension increases	2.50	2.50
Pension accounts revaluation rate	2.50	2.50
Salary increases	3.75	3.75

Mortality assumptions
The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below. At this accounting date the assumed rates of future mortality have been increased to reflect a slightly more negative outlook as a result of the Covid-19 pandemic.

	2022	2021
Males		
Members aged 65 at accounting date	21.6	21.8
Members aged 45 at accounting date	22.6	22.8
Females		
Member aged 65 at accounting date	23.9	24.1
Member aged 45 at accounting date	25.4	25.6

Reconciliation of funded status to Statement of Financial Position

	2022 £	2021 £
Fair value of assets	708,000	813,000
Present value of funded defined benefit obligation	(438,000)	(842,000)
Funded status	270,000	(29,000)

The split of the liabilities at the last valuation between various categories of members is:

	2022 %	2021 %
Active members	85	85
Deferred pensioners	15	15

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT) *(Continued)*

Asset allocation

	2022		2021	
	%	£	%	£
Equities	68.1	482,000	67.4	548,000
Property	7.8	55,000	7.3	59,000
Government bonds	10.5	74,000	12.0	98,000
Corporate bonds	12.4	88,000	12.9	105,000
Cash	0.7	5,000	0.4	3,000
Other	0.5	4,000	0.0	–
	100	708,000	100	813,000

Amounts recognised in the Statement of Financial Activities

	2022	2021
	£	£
Operating cost		
Current service cost	26,000	42,000
Interest on net defined benefit liability/(asset)	–	2,000
Pension expense recognised in the Statement of Financial Activities	26,000	44,000

Amounts recognised in other comprehensive income

	2022	2021
	£	£
Asset (losses)/gains arising during the period	(141,000)	55,000
Actuarial gains/(losses) due to changes in financial assumptions	495,000	–
Actuarial gains/(losses) due to changes in demographic assumptions	4,000	–
Actuarial gains/(losses) due to liability experience	(50,000)	–
Liability gains/(losses) arising during the period	–	59,000
Total amount recognised in other comprehensive income	308,000	114,000

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT) *(Continued)*

Changes to the present value of the defined benefit obligation

	2022	2021
	£	£
Opening defined benefit obligation	842,000	843,000
Current service cost	26,000	42,000
Interest expense on defined benefit obligation	16,000	12,000
Contributions by participants	3,000	5,000
Actuarial gains/(losses) due to changes in financial assumptions	(495,000)	(59,000)
Actuarial gains/(losses) due to changes in demographic assumptions	(4,000)	–
Actuarial gains/(losses) due to liability experience	50,000	–
Net benefits paid out	–	(1,000)
Closing defined benefit obligation	438,000	842,000

Changes to the fair value of asset

	2022	2021
	£	£
Opening fair value of assets	813,000	719,000
Interest income on assets	16,000	10,000
Remeasurement (losses)/gains on assets	(141,000)	55,000
Contributions by the employer	17,000	25,000
Contributions by the participants	3,000	5,000
Net benefits paid out	–	(1,000)
Closing fair value of assets	708,000	813,000

Actual return on asset

	2022	2021
	£	£
Interest income on assets	16,000	10,000
Gains/(loss) on assets	(141,000)	55,000
Actual return on assets	(125,000)	65,000

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income	Expenditure	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	1,381,162	1,624,568	(1,620,905)	299,000	1,683,825

	At 1 January 2021	Income	Expenditure	Gains and losses	At 31 December 2021
	£	£	£	£	£
General funds	1,059,859	1,677,846	(1,451,543)	95,000	1,381,162

22. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	27,992	27,992
Current assets	1,520,231	1,520,231
Creditors less than 1 year	(134,398)	(134,398)
Defined benefit pension asset	270,000	270,000
Net assets	1,683,825	1,683,825

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	44,438	44,438
Current assets	1,612,054	1,612,054
Creditors less than 1 year	(246,330)	(246,330)
Defined benefit pension liability	(29,000)	(29,000)
Net assets	1,381,162	1,381,162

23. Analysis of changes in net debt

	At 1 Jan 2022	Cash flows	At 31 Dec 2022
	£	£	£
Cash at bank and in hand	1,281,696	(32,191)	1,249,505

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	615	1,475
Later than 1 year and not later than 5 years	126,401	175,610
	127,016	177,085

25. Limitation of auditors liability

By way of a board resolution the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £50,000 per claim.

26. Related parties

No transactions with related parties were undertaken such as are required to be disclosed under FRS102.

AGORED CYMRU

England & Wales - Charity number 1105070

Accounts

COMPANY REGISTRATION NUMBER: 5133651
CHARITY REGISTRATION NUMBER: 1105070

Agored Cymru

Company Limited by Guarantee

Financial Statements

31 December 2021

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Agored Cymru

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2021

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Agored Cymru

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name	Agored Cymru
Charity registration number	1105070
Company registration number	5133651
Principal office and registered office	4 Llys Onnen Ffordd Y Llyn Parc Menai Bangor Gwynedd LL57 4DF

The trustees

E V Barrett	
K Burns	
R Clapham	(Resigned 23 August 2021)
H Davies	(Resigned 24 February 2021)
M Davies	
J Graystone	(Resigned 31 July 2021)
P Martin	(Resigned 26 January 2022)
C D Mather	(Appointed 17 May 2021)
S Rehman Khan	
A Smith	
C Swain	
H Swayne	
W P Upham	(Resigned 23 June 2021)
K Workman	

Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF

Structure, governance and management
Agored Cymru was registered with Companies House on 12 October 2009 as the new name for Rhydwaith Coleg Agored Cymru/Open College Network Wales. Agored Cymru is a company limited by guarantee (Company No 5133651) and a charity registered in England & Wales (Charity No 1105070).

The governing document under which the company operates is its Memorandum and Articles of Association.

The directors are treated as trustees for Charities Act purposes.

Trustee training
In addition to formal induction where trustees receive training regarding their responsibilities and legal obligations, inputs are provided throughout the year. These include a formal strategic planning session and policy and regulatory updates.

The name of the Chief Executive Office and other senior staff members to whom day to day management of the charity is delegated by the charity trustees

Chief Executive Officer	Darren Howells
Deputy Chief Executive Officer	Jo Creeden
Director for Human Resources & Finance	Val Jones (to 30 April 2022)
Director of ICT, MIS & Operations	Matt Stanley

Full details of all members of staff can be found on Agored's website www.agored.cymru

Structure, governance and management ***(continued)***

The organisational structure of the charity and how decisions are made
The Board appoints Directors up to a maximum of 14 Trustees. Following an initial discussion with the Chief Executive new members follow a structured induction plan and are given ongoing support by an allocated member of the Board. The induction process provides detail on the following:

- Key responsibilities
- Articles of Association
- Financial performance of the charity
- Committee structure
- Overview of charity activities

The Agored Cymru Board leads the charity strategically and delegates detailed scrutiny relating to Quality and Regulation, and Finance and General Purposes to 2 committees. These committees make recommendations to the Board so that decisions can be made.

The Board and sub committees each operate within their respective Terms of Reference. The Board and committees are required to meet at least twice per year, although the Board will typically schedule at least 3 meetings per year. The Terms of Reference require each meeting to be fully quorate in order to either make decisions or recommendations to the Board.

The Chief Executive provides the Board with updates against all agreed priorities in each meeting, and senior managers also provide reports to the committees.

The day to day running of the charity is delegated to the Chief Executive who acts as lead officer to the Board. The Chief Executive and the Board appoint a Senior Management Team who ensure that the Strategic Priorities for the charity are fulfilled within the budget agreed by the Board.

The organisational structure ensures that the charity has the capacity to remain fully compliant with the requirements of qualification regulators, and that the objectives of the charity are achieved. A Product Development team develop new qualifications and a team of Business Development Managers sell them to education and training providers. The Quality Assurance team is tasked with ensuring that the qualifications are effectively quality assured with a robust focus on regulatory compliance. A wider team of coordinators and administrative staff provide the infrastructure that enables the timely issue of qualification certificates and the delivery of effective customer service.

The major risks to which the charity is exposed and reviews and systems in place to mitigate those risks
The risk register is kept under review to record emerging risks, inform action plans to manage and mitigate all active risks and ensure risks can be reported to regulators. Key risks identified by the Board are linked to:

- Customers and Products
- Finance
- The external education landscape and policy
- Changes to regulation
- Organisational capacity and capabilities
- Systems and processes
- Organisational change
- Mass impact of service

Objectives and activities

A summary of the objects of the Charity as set out in its governing document
The key objective of Agored Cymru is to enable individuals to achieve the skills and qualifications they need to maximise their potential, enrich their lives and to contribute to their communities and a strong economy. This is demonstrated by creating products and services that:

- are developed in response to policy drivers in Wales and/or England and the needs of individuals and the wider economy;
- address current and future skills gaps across the regions within which we operate;
- are designed to embrace diversity, inclusion and equal opportunity;
- enable individuals to maximise their potential and through learning develop wellbeing and the skills to drive social and economic mobility;

A summary of the strategic aims of the charity
In furtherance of these objectives Agored Cymru has the following strategic aims to:

- be the Awarding Organisation and Access Validating Agency of choice
- develop an innovative portfolio of industry leading regulatory compliant and viable qualifications, units and services
- promote learning, education and training as a means of progression
- be resilient through innovation, creativity and flexibility

Achievements and performance
Agored Cymru operates in an environment characterised by funding pressures and external factors that affect many of its beneficiaries. These beneficiaries are typically schools, colleges, training providers and a network of third sector charities that provide education and training opportunities.

The performance of the charity in 2021 has been good with all strategic priorities for the period achieved. These have included achieving a surplus to ensure the continued viability of Agored Cymru, an evaluation and strengthening of organisational service standards to improve customer service, full regulatory compliance including a successful regulatory audit and a sustained growth in the number of centres including schools using Agored Cymru qualifications.

Covid 19
Due to the Covid 19 pandemic, Agored Cymru significantly changed its activities and operations. Both offices were closed with all members of staff working remotely from home. Key operations continued including support for centres and online training sessions, but all paper certificate printing ceased with electronic certificates being issued instead. Certificate printing resumed in late 2020 but investment in improving the electronic certificate offer has reduced the demand for paper certificates.

Both offices have reopened but a hybrid model has continued with a mixture of office and home working.

Financial review

Transactions and financial position
The Statement of Financial Activities shown on page 12 to the accounts discloses net incoming resources, after other recognised gains and losses, of £321,303 (2020: incoming £167,621).

Total reserves at the year end stand at £1,381,162 (2020: £1,059,859). All reserves of the charity are unrestricted.

The principal source of funding for the charity is shown in note 5 to the accounts.

Specific changes in fixed assets
All movements in fixed assets are shown in note 16 to the accounts.

Reserves Policy
The Board has set a reserves policy that requires:

- Funds are to be maintained at a level that ensures core activity can continue for three months in the event of disruption of income streams;
- Funds are to be maintained in a readily realisable form;

The policy allows review on an annual basis.

During the year the reserves policy objectives were achieved and reserves were considered adequate in the light of the defined benefit pension liabilities.

Public benefit
The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Plans for future periods
A Five-Year Strategic Plan was created and agreed by the Board at the start of 2021. The organisation now has a clear focus on specific areas within which Agored Cymru will focus its product development, sales and marketing on. These include the health sector, Schools, Further Education, Work Based Learning and Access to Higher Education. A Business Development Strategy agreed in 2020 underpins the Strategic Plan with the key aim of reaching more learners.

The charity will target a further surplus in 2022. Agored Cymru qualifications have previously only been available on a regulated basis in Wales. However, since gaining recognition as an Ofqual regulated awarding organisation there is focus on increasing learner numbers in England.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

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

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

K Burns
Trustee

Opinion

We have audited the financial statements of Agored Cymru (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted

- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance

- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice

- Noting issues discussed with the Board and the Senior Management Team as this relates to risks faced by the company

- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations

- Auditing the risk of management override of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

- Considering the effect on risk to the company of the Covid-19 pandemic and the UK's departure from the EU. In particular to note whether any such issues would affect the company's ability to continue to operate.

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Zoë Goodwin BSc FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

……..

Agored Cymru

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2021

	Note	2021 Unrestricted funds £	2021 **Total funds** £	2020 Total funds £
Income and endowments				
Charitable activities	**5**	1,677,750	1,677,750	1,519,784
Investment income	**6**	96	96	498
Other income	**7**	–	–	108,899
Total income		1,677,846	1,677,846	1,629,181
Expenditure				
Expenditure on charitable activities	**8,9**	1,451,543	1,451,543	1,368,560
Total expenditure		1,451,543	1,451,543	1,368,560
Actuarial gain/(loss) on defined benefit pension scheme	**12**	95,000	95,000	(93,000)
Net income and net movement in funds		321,303	321,303	167,621
Reconciliation of funds				
Total funds brought forward		1,059,859	1,059,859	892,238
Total funds carried forward		1,381,162	1,381,162	1,059,859

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 27 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	**16**	44,438	58,764
Current assets			
Stocks	**17**	25,079	19,577
Debtors	**18**	305,279	347,003
Cash at bank and in hand		1,281,696	855,551
		1,612,054	1,222,131
Creditors: amounts falling due within one year	**19**	246,330	97,036
Net current assets		1,365,724	1,125,095
Total assets less current liabilities		1,410,162	1,183,859
Pensions and other retirement benefits	**20**	29,000	124,000
Net assets		1,381,162	1,059,859
Funds of the charity			
Unrestricted funds		1,381,162	1,059,859
Total charity funds	**22**	1,381,162	1,059,859

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

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

K Burns
Trustee

The notes on pages 15 to 27 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net income	321,303	167,621
Adjustments for:		
Depreciation of tangible fixed assets	16,091	16,092
Actuarial (gain)/loss on defined benefit pension scheme	(95,000)	93,000
Other interest receivable and similar income	(96)	(498)
Accrued expenses	150,721	6,983
Changes in:		
Stocks	(5,502)	(17,535)
Trade and other debtors	41,724	29,523
Trade and other creditors	(1,427)	23,936
Cash generated from operations	427,814	412,122
Interest received	96	498
Net cash from operating activities	427,910	412,620
Cash flows from investing activities		
Purchase of tangible assets	(1,765)	–
Net cash from/(used in) investing activities	(1,765)	–
Net increase in cash and cash equivalents	426,145	319,620
Cash and cash equivalents at beginning of year	855,551	535,931
Cash and cash equivalents at end of year	1,281,696	855,551

The notes on pages 15 to 27 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Llys Onnen, Ffordd Y Llyn, Parc Menai, Bangor, Gwynedd, LL57 4DF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Since March 2020 the Covid-19 pandemic has seriously affected the UK generally. As a company we have taken all necessary steps to combat the effects of the virus and to ensure that the company is able to continue to operate.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- to support businesses during the Covid-19 pandemic local and central Government have given businesses financial assistance through a variety of loans and grants. The total grant received in the year is shown as other income in the Statement of Financial Activities and relates to grants received under the HMRC Job Retention Scheme and the Welsh Government Economic Resilience Fund.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Leasehold Property Improvements	-	over the primary term of the lease

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Retirement benefit plans

The employees of the charity are members of one of several pension schemes as follows:

Rhondda Cynon Taf County Borough Council Pension Fund

The Rhondda Cynon Taf County Borough Council Pension Fund (the Fund) is part of the Local Government Pension Scheme. The charity recognises a defined net benefit pension asset or liability in the statement of financial position as the difference between the net total of the present value of its obligations and the fair value of scheme assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Scheme surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the scheme.

The Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational pension scheme. The scheme is governed by statutory regulations (currently statutory instruments), these being: The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions to the scheme are set at rates determined by the Secretary of State, taking advice from the scheme's actuary. Contributions received from members are used to offset payments to current pensioners with the balance of funding provided by Parliament. The scheme's administrative expenses are borne by scheme employers, payable as a percentage of pensionable earnings. Accordingly, the charity accounts for contributions payable to the scheme as if the schemes were defined contribution schemes, as is required by IAS 19 Employee Benefits.

Scottish Equitable

This is a defined contribution plan. Contributions are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or paable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst they are still a member or within one year thereafter.

Number of members as at 31 December 2021 is 10 (2020: 13).

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Centre fees	166,154	166,154	124,514	124,514
Accreditation	1,352,543	1,352,543	1,308,253	1,308,253
Training & projects	142,961	142,961	85,781	85,781
Other income	16,092	16,092	1,236	1,236
	1,677,750	1,677,750	1,519,784	1,519,784

6. Investment income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	96	96	498	498

7. Other income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
HMRC Job Retention Scheme Grant	–	–	53,899	53,899
Welsh Government ERF Fund grant	–	–	55,000	55,000
	–	–	108,899	108,899

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Accreditation services	1,451,543	1,451,543	1,368,560	1,368,560

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	**Total funds 2021 £**	Total fund 2020 £
Accreditation services	1,451,543	1,451,543	1,368,560

10. Analysis of support costs

	Accreditation services £	**Total 2021 £**	Total 2020 £
Staff costs	984,184	984,184	951,764
Communications and IT	93,654	93,654	95,017
Rent, Storage & Utilities	124,007	124,007	118,114
Certification costs	64,569	64,569	42,700
External Verification & Training	47,502	47,502	28,341
Development costs	2,281	2,281	9,806
Marketing	37,851	37,851	18,750
Bad debts written off	–	–	480
Office Expenses & Other costs	21,586	21,586	19,811
Audit, Legal & Membership Fees	59,094	59,094	59,434
Travel & Subsistence	723	723	8,251
Depreciation	16,092	16,092	16,092
	1,451,543	1,451,543	1,368,560

11. 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.

12. Actuarial gain/(loss) on defined benefit pension scheme

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Actuarial gain/(loss) on defined benefit pension scheme	95,000	95,000	(93,000)	(93,000)

13. Net income

Net income it stated after charging/(crediting):

	2021 **£**	2019 **£**
Depreciation of tangible fixed assets	16,092	16,091
Fees paid to the auditor:		
For the audit of the financial statements	5,340	5,142
For non-audit services	25,878	19,170

14. Staff costs

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

	2021	2020
	£	£
Wages and salaries	984,185	951,764

The average head count of employees during the year was 26 (2020: 26). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Provision of accreditation services	24	24

The number of employees whose remuneration for the year fell within the following bands, were:

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

15. Trustee remuneration and expenses

Expenses totalling £85 (2020: £54, paid to one trustee) was reimbursed to one trustee during the year in relation to travelling expenses.

Other than the above, no trustees or any persons connected with them have received any remuneration or expenses, either in the current year or in the prior year.

16. Tangible fixed assets

	Fixtures and fittings	Leasehold Property Improvements	**Total**
	£	£	**£**
Cost			
At 1 January 2021	175,383	131,043	306,426
Additions	1,765	–	1,765
At 31 December 2021	177,148	131,043	308,191
Depreciation			
At 1 January 2021	160,300	87,362	247,662
Charge for the year	5,171	10,920	16,091
At 31 December 2021	165,471	98,282	263,753
Carrying amount			
At 31 December 2021	11,677	32,761	44,438
At 31 December 2020	15,083	43,681	58,764

17. Stocks

	2021	2020
	£	£
Certificate stock	25,079	19,577

18. Debtors

	2021	2020
	£	£
Trade debtors	206,850	256,491
Prepayments and accrued income	98,429	90,512
	305,279	347,003

19. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	21,896	29,256
Accruals and deferred income	177,851	27,130
Social security and other taxes	37,271	31,712
Other creditors	9,312	8,938
	246,330	97,036

20. Pensions and other retirement benefits

During the year the charity made contributions to a number of pension schemes, including The Teachers' Pension Scheme (TPS) and the Rhondda Cynon Taf County Borough Council Pension Fund (RCT), which is a defined benefit scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pension Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis () these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 5 March 2019. The key results of the valuation are:

- employer contribution rates were set at 22.8% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £218.1 billion, and notional assets of £196.1 billion, giving a notional past service deficit of £22.0 billion;
- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2019. A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

https://www.teacherspensions.co.uk/-/media/documents/member/documents/news-items/teachers-pension-scheme-actuarial-valuation-2016.ashx?rev=1d463cd3f4344c199ca0c2bcf193dc90&hash=D90840D6F4AF06461F6D927C4E6265B0

21. Pensions and other post retirement benefits

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT)

The results below relate to the funded liabilities with the Fund which is part of the Local Government Pension Scheme (the LGPS). The funded nature of the LGPS requires the employer and its employees to pay contributions in the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

Date of the last full valuation of the employer's LGPS funded benefits - 31 March 2019
Expected employer contribution next year - £27,000
Duration of liabilities - 30.8 years

Key assumptions

	2021	2020
	% p.a.	% p.a.
Discount rate	1.90	1.40
Retirement benefit plans	2.50	2.20
Pension increases	2.50	2.20
Pension accounts revaluation rate	2.50	2.20
Salary increases	3.75	3.45

Mortality assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below. At this accounting date the assumed rates of future mortality have been increased to reflect a slightly more negative outlook as a result of the Covid-19 pandemic.

	2021	2020
Males		
Members aged 65 at accounting date	21.8	21.7
Members aged 45 at accounting date	22.8	22.7
Females		
Member aged 65 at accounting date	24.1	24.0
Member aged 45 at accounting date	25.6	25.5

Asset allocation

	Value at 31 December 2021		Value at 31 December 2020	
	%	**£**	%	£
Equities	67.4	548,000	70.7	509,000
Property	7.3	59,000	6.4	46,000
Government bonds	12.0	98,000	9.1	65,000
Corporate bonds	12.9	105,000	13.0	93,000
Cash	0.4	3,000	0.8	6,000
	100	813,000	100	719,000

Reconciliation of funded status to Statement of Financial Position

	2021	2020
	£	£
Fair value of assets	813,000	719,000
Present value of funded defined benefit obligation	(842,000)	(843,000)
Funded status	(29,000)	(124,000)

The split of the liabilities at the last valuation between various categories of members is as follows:

	%
Active members	85
Deferred pensioners	15

Amounts recognised in the Statement of Financial Activities

	2021	2020
	£	£
Operating cost		
- Current service cost	42,000	34,000
- Past service cost	–	15,000
Financing cost		
- Interest on net defined benefit liability	2,000	1,000
Pension expense recognised in the Statement of Financial Activities	44,000	50,000

Amounts recognised in other comprehensive income

	2021	2020
	£	£
Asset (losses)/gains arising during the period	55,000	137,000
Liability gains arising during the period	59,000	(203,000)
Total amount recognised in other comprehensive income	114,000	(66,000)

Changes to the fair value of assets

	2021	2020
	£	£
Opening fair value of assets	719,000	544,000
Interest income on assets	10,000	11,000
Remeasurement (losses)/gains on assets	55,000	137,000
Contributions by the employer	25,000	23,000
Contributions by the participants	5,000	5,000
Net benefits paid out	(1,000)	(1,000)
Closing fair value of assets	813,000	719,000

Changes to the present value of the defined benefit obligation

	2021	2020
	£	£
Opening defined benefit obligation	843,000	575,000
Current service cost	42,000	34,000
Interest expense on defined benefit obligation	12,000	12,000
Contributions by participants	5,000	5,000
Actuarial (gains)/losses on liabilities	(59,000)	203,000
Net benefits paid out	(1,000)	(1,000)
Past service cost	–	15,000
	842,000	843,000

Actual return on assets

	2021	2020
	£	£
Interest income on assets	10,000	11,000
(Loss)/gain on assets	55,000	137,000
Actual return on assets	65,000	148,000

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021	Income	Expenditure	Gains and losses	**At 31 December 2021**
	£	£	£	£	£
General funds	1,059,859	1,677,846	(1,451,543)	95,000	1,381,162

	At 1 January 2020	Income	Expenditure	Gains and losses	At 31 December 2020
	£	£	£	£	£
General funds	892,238	1,629,181	(1,368,560)	(93,000)	1,059,859

23. Analysis of net assets between funds

	Unrestricted Funds £	**Total Funds 2021 £**
Tangible fixed assets	44,438	44,438
Current assets	1,612,054	1,612,054
Creditors less than 1 year	(246,330)	(246,330)
Defined benefit pension	(29,000)	(29,000)
Net assets	1,381,162	1,381,162

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	58,764	58,764
Current assets	1,222,131	1,222,131
Creditors less than 1 year	(97,036)	(97,036)
Defined benefit pension	(124,000)	(124,000)
Net assets	1,059,859	1,059,859

24. Analysis of changes in net debt

	At 1 Jan 2021 £	Cash flows £	**At 31 Dec 2021 £**
Cash at bank and in hand	855,551	426,145	1,281,696

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	1,475	4,042
Later than 1 year and not later than 5 years	175,610	207,971
	177,085	212,013

26. Limitation of auditors liability

By way of a board resolution the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £50,000 per claim.

27. Related parties

No transactions with related parties were undertaken such as are required to be disclosed under FRS102.

AGORED CYMRU

England & Wales - Charity number 1105070

Accounts

COMPANY REGISTRATION NUMBER: 5133651
CHARITY REGISTRATION NUMBER: 1105070

Agored Cymru

Company Limited by Guarantee

Financial Statements

31 December 2020

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Agored Cymru

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2020

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Agored Cymru

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	Agored Cymru
Charity registration number	1105070
Company registration number	5133651
Principal office and registered office	4 Llys Onnen Ffordd Y Llyn Parc Menai Bangor Gwynedd LL57 4DF

The trustees

E V Barrett	
K Burns	
R Clapham	
H Davies	(Resigned 24 February 2021)
M Davies	
J Graystone	
P Martin	
S Rehman Khan	
A Smith	
C Swain	
H Swayne	(Appointed 22 April 2020)
W P Upham	
K Workman	

Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF

Structure, governance and management

Agored Cymru was registered with Companies House on 12 October 2009 as the new name for Rhydwaith Coleg Agored Cymru/Open College Network Wales. Agored Cymru is a company limited by guarantee (Company No 5133651) and a charity registered in England & Wales (Charity No 1105070).

The governing document under which the company operates is its Memorandum and Articles of Association.

The directors are treated as trustees for Charities Act purposes.

Trustee training
In addition to formal induction where trustees receive training regarding their responsibilities and legal obligations, inputs are provided throughout the year. These include a formal strategic planning session and policy and regulatory updates.

The name of the Chief Executive Office and other senior staff members to whom day to day management of the charity is delegated by the charity trustees

Chief Executive Officer	Kevern Kerswell (to 31/8/20)
Deputy Chief Executive Officer	Darren Howells (Interim CEO from 1/9/20)
Director for Human Resources & Finance	Val Jones
Director of ICT, MIS & Operations	Matt Stanley
Director of Quality Standards and Regulation	Jo Creeden (Interim DCEO from 1/9/20)

Full details of all members of staff can be found on Agored's website www.agored.cymru.

Structure, governance and management *(continued)*

The organisational structure of the charity and how decisions are made The Board appoints Directors up to a maximum of 14 members. New members are inducted through a meeting with the Chief Executive and the Governance Coordinator. The induction process includes information about:

- Key responsibilities
- Articles of Association
- Financial performance of the charity
- Committee structure
- Overview of charity activities

The Agored Cymru Board leads the charity strategically and delegates detailed scrutiny relating to Quality and Regulation, and Finance and General Purposes to 2 committees. These committees make recommendations to the Board so that decisions can be made.

The Board and sub committees each operate within their respective Terms of Reference. The Board and committees are required to meet at least twice per year, although the Board will typically schedule at least 3 meetings per year. The Terms of Reference require each meeting to be fully quorate in order to either make decisions or recommendations to the Board.

The Chief Executive provides the Board with updates against all agreed priorities in each meeting, and senior managers also provide reports to the committees.

The day to day running of the charity is delegated to the Chief Executive who acts as lead officer to the Board. The Chief Executive and the Board appoint a Senior Management Team who ensure that the Strategic Priorities for the charity are fulfilled within the budget agreed by the Board.

The operational structure ensures that the charity remains fully compliant with the requirements of qualification regulators, and that the objectives of the charity are achieved. A team of managers are tasked with developing new qualifications and promoting them to education and training providers, while another team is tasked with ensuring that the qualifications are effectively quality assured with a robust focus on regulatory compliance. A wider team of coordinators and administrative staff provide the infrastructure that enables the issuing of qualification certificates and the delivery of effective customer service.

The major risks to which the charity is exposed and reviews and systems in place to mitigate those risks

The risk register is kept under review to record emerging risks, inform action plans to manage and mitigate all active risks and ensure risks can be reported to regulators. Key risks identified by the Board are:

- the ongoing impact of reductions in and changes to public funding of courses and course elements that Agored Cymru accredits, particularly in the Further Education sector
- reduction in opportunities for learners, particularly adult learners, and the resulting loss of income
- changes in the qualifications market
- capacity in, and succession planning for, key roles in the organisation.

Objectives and activities

A summary of the objects of the Charity as set out in its governing document The objects of Agored Cymru are the advancement of the education of the people of Wales and beyond in one or more of the following ways:

- by promoting learning, widening opportunity and enabling progressions in education and training;
- by improving the quality and flexibility of education provision for the public benefit;
- by extending access to learning opportunities an facilitating progression to further learning, employment and higher education, particularly through the award of credits and credit based qualifications.

A summary of the strategic aims of the charity
In furtherance of these objectives Agored Cymru has the following strategic aims to:

- work in partnership to take forward the educational agenda in Wales in the interest of learners
- establish Agored Cymru as the awarding organisation of choice to respond to the social and economic priorities, opportunities and challenges in Wales;
- establish Agored Cymru as a sustainable social enterprise.

Achievements and performance

Agored Cymru operates in an environment characterised by funding pressures that affect many of its beneficiaries. These beneficiaries are typically schools, colleges, training providers and a network of third sector charities that provide education and training opportunities.

The performance of the charity in 2020 has been good with all strategic priorities for the period achieved. These have included achieving a surplus to ensure the continued viability of Agored Cymru, an evaluation and strengthening of organisational service standards to improve customer service, full regulatory compliance including a successful regulatory audit and a sustained growth in the number of schools using Agored Cymru qualifications.

Covid 19
Due to the Covid 19 pandemic, from 23rd March 2020 Agored Cymru significantly changed its activities and operations. Both offices were closed with all members of staff working remotely from home. Key operations continued including support for centres and online training sessions, but all paper certificate printing ceased with electronic certificates being issued instead. Some certificate printing resumed in November 2020 for those qualifications and learners that demanded them.

Offices were reopened for those members of staff who for operational reasons had to attend the offices or to provide an alternative location to work to assist their wellbeing.

Financial review

Transactions and financial position
The Statement of Financial Activities shown on page 12 to the accounts discloses net incoming resources, after other recognised gains and losses, of £167,621 (2019: incoming £294,066).

Total reserves at the year end stand at £1,059,859 (2019: £892,238). All reserves of the charity are unrestricted.

The principal source of funding for the charity is shown in note 6 to the accounts.

Specific changes in fixed assets
All movements in fixed assets are shown in note 16 to the accounts.

Reserves Policy
The Board has set a reserves policy that requires:

- Funds are to be maintained at a level that ensures core activity can continue for three months in the event of disruption of income streams;
- Funds are to be maintained in a readily realisable form;

The policy allows review on an annual basis.

During the year the reserves policy objectives were achieved and reserves were considered adequate in the light of the defined benefit pension liabilities.

Public benefit
The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Plans for future periods

The Strategic Plan was revisited in 2019 and reviewed in 2020 and has resulted in a clearer focus on specific areas within which Agored Cymru will focus its product development. These include the health sector, schools, further education, work based learning and Access to Higher Education. A business development strategy has been agreed that the Deputy Chief Executive will deliver to enable the charity to reach more learners. A new Five-Year Strategy has been approved by the Board to be implemented from 2021.

The charity will target a further surplus in 2021. Agored Cymru qualifications have previously only been available on a regulated basis in Wales. However, the charity has now been recognised as an Ofqual regulated awarding organisation and will build on this new opportunity to reach learners in England. A number of qualifications are now available in England and are listed on the Ofqual register.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

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

The trustees' annual report was approved on 17 May 2021 and signed on behalf of the board of trustees by:

John Graystone

J Graystone
Trustee

Opinion

We have audited the financial statements of Agored Cymru (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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;
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted

- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance

- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice

- Noting issues discussed with the Board and the Senior Management Team as this relates to risks faced by the company

- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations

- Auditing the risk of management override of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

- Considering the effect on risk to the company of the Covid-19 pandemic and the UK's departure from the EU. In particular to note whether any such issues would affect the company's ability to continue to operate.

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Zoe Goodwin BSc FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

17 May 2021

Agored Cymru

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2020

	Note	2020 Unrestricted funds £	2020 Total funds £	2019 Total funds £
Income and endowments				
Charitable activities	**5**	1,519,784	1,519,784	1,762,163
Investment income	**6**	498	498	505
Other income	**7**	108,899	108,899	–
Total income		1,629,181	1,629,181	1,762,668
Expenditure				
Expenditure on charitable activities	**8,9**	1,368,560	1,368,560	1,421,602
Total expenditure		1,368,560	1,368,560	1,421,602
Actuarial loss on defined benefit pension scheme	**12**	(93,000)	(93,000)	(47,000)
Net income and net movement in funds		167,621	167,621	294,066
Reconciliation of funds				
Total funds brought forward		892,238	892,238	598,172
Total funds carried forward		1,059,859	1,059,859	892,238

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 28 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	**16**	58,764	74,856
Current assets			
Stocks	**17**	19,577	2,042
Debtors	**18**	347,003	376,526
Cash at bank and in hand		855,551	535,931
		1,222,131	914,499
Creditors: amounts falling due within one year	**19**	97,036	66,117
Net current assets		1,125,095	848,382
Total assets less current liabilities		1,183,859	923,238
Pensions and other retirement benefits	**20**	124,000	31,000
Net assets		1,059,859	892,238
Funds of the charity			
Unrestricted funds		1,059,859	892,238
Total charity funds	**21**	1,059,859	892,238

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

These financial statements were approved by the board of trustees and authorised for issue on 17 May 2021, and are signed on behalf of the board by:

John Graystone

J Graystone
Trustee

The notes on pages 15 to 28 form part of these financial statements.

Agored Cymru

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income	167,621	294,066
Adjustments for:		
Depreciation of tangible fixed assets	16,092	16,089
Actuarial loss on defined benefit scheme	93,000	47,000
Other interest receivable and similar income	(498)	(505)
Accrued expenses/(income)	6,983	(54,198)
Changes in:		
Stocks	(17,535)	15,314
Trade and other debtors	29,523	(139,784)
Trade and other creditors	23,936	(42,501)
Cash generated from operations	319,122	135,481
Interest received	498	505
Net cash from operating activities	319,620	135,986
Net increase in cash and cash equivalents	319,620	135,986
Cash and cash equivalents at beginning of year	535,931	399,945
Cash and cash equivalents at end of year	855,551	535,931

The notes on pages 15 to 28 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Llys Onnen, Ffordd Y Llyn, Parc Menai, Bangor, Gwynedd, LL57 4DF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Since March 2020 the Covid-19 pandemic has seriously affected the UK generally. As a company we have taken all necessary steps to combat the effects of the virus and to ensure that the company is able to continue to operate.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

3. **Accounting policies** *(continued)*

Incoming resources *(continued)*

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- to support businesses during the Covid-19 pandemic local and central Government have given businesses financial assistance through a variety of loans and grants. The total grant received in the year is shown as other income in the Statement of Financial Activities and relates to grants received under the HMRC Job Retention Scheme and the Welsh Government Economic Resilience Fund.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Leasehold Property Improvements	-	over the primary term of the lease

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Retirement benefit plans

The employees of the charity are members of one of several pension schemes as follows:

Rhondda Cynon Taf County Borough Council Pension Fund
The Rhondda Cynon Taf County Borough Council Pension Fund (the Fund) is part of the Local Government Pension Scheme. The charity recognises a defined net benefit pension asset or liability in the statement of financial position as the difference between the net total of the present value of its obligations and the fair value of scheme assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Scheme surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational pension scheme. The scheme is governed by statutory regulations (currently statutory instruments), these being: The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Contributions to the scheme are set at rates determined by the Secretary of State, taking advice from the scheme's actuary. Contributions received from members are used to offset payments to current pensioners with the balance of funding provided by Parliament. The scheme's administrative expenses are borne by scheme employers, payable as a percentage of pensionable earnings. Accordingly, the charity accounts for contributions payable to the scheme as if the schemes were defined contribution schemes, as is required by IAS 19 Employee Benefits.

Scottish Equitable
This is a defined contribution plan. Contributions are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or paable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst they are still a member or within one year thereafter.

Number of members as at 31 December 2020 is 13 (2019: 12).

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Centre fees	124,514	124,514	116,560	116,560
Accreditation	1,308,253	1,308,253	1,573,901	1,573,901
Training & projects	85,781	85,781	61,955	61,955
Other income	1,236	1,236	9,747	9,747
	1,519,784	1,519,784	1,762,163	1,762,163

6. Investment income

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	498	498	505	505

7. Other income

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
HMRC Job Retention Scheme Grant	53,899	53,899	–	–
Welsh Government ERF Fund grant	55,000	55,000	–	–
	108,899	108,899	–	–

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Accreditation services	1,368,560	1,368,560	1,421,602	1,421,602

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	**Total funds 2020 £**	Total fund 2019 £
Accreditation services	1,368,560	1,368,560	1,421,602

10. Analysis of support costs

	Accreditation services £	**Total 2020 £**	Total 2019 £
Staff costs	951,764	951,764	909,529
Communications and IT	95,017	95,017	95,055
Rent, Storage & Utilities	118,114	118,114	119,537
Certification costs	42,700	42,700	58,386
External Verification & Training	28,341	28,341	58,021
Development costs	9,806	9,806	8,442
Marketing	18,750	18,750	30,858
Bad debts written off	480	480	8,085
Office Expenses & Other costs	19,811	19,811	39,873
Audit, Legal & Membership Fees	59,434	59,434	49,015
Travel & Subsistence	8,251	8,251	28,710
Depreciation	16,092	16,092	16,091
	1,368,560	1,368,560	1,421,602

11. 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.

12. Actuarial loss on defined benefit pension scheme

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Actuarial loss on defined benefit pension scheme	(93,000)	(93,000)	(47,000)	(47,000)

13. Net income

Net income it stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	16,092	16,091
Fees paid to the auditor:		
For the audit of the financial statements	5,340	5,142
For non-audit services	25,878	19,170

14. Staff costs

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

	2020	2019
	£	£
Wages and salaries	951,764	909,529

The average head count of employees during the year was 26 (2019: 25). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Provision of accreditation services	24	25

The number of employees whose remuneration for the year fell within the following bands, were:

	2020	2019
	No.	No.
£60,000 to £69,999	–	1

15. Trustee remuneration and expenses

Expenses totalling £54 (2019: £2,263, paid to six trustees) was reimbursed to one trustee during the year in relation to travelling expenses.

Other than the above, no trustees or any persons connected with them have received any remuneration or expenses, either in the current year or in the prior year.

16. Tangible fixed assets

	Fixtures and fittings	Leasehold Property Improvements	**Total**
	£	£	£
Cost			
At 1 January 2020 and 31 December 2020	175,383	131,043	306,426
Depreciation			
At 1 January 2020	155,129	76,441	231,570
Charge for the year	5,171	10,921	16,092
At 31 December 2020	160,300	87,362	247,662
Carrying amount			
At 31 December 2020	15,083	43,681	58,764
At 31 December 2019	20,254	54,602	74,856

17. Stocks

	2020	2019
	£	£
Certificate stock	19,577	2,042

18. Debtors

	2020	2019
	£	£
Trade debtors	256,491	305,352
Prepayments and accrued income	90,512	71,174
	347,003	376,526

19. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	29,256	5,599
Accruals and deferred income	27,130	20,147
Social security and other taxes	31,712	31,866
Other creditors	8,938	8,505
	97,036	66,117

20. Pensions and other retirement benefits

During the year the charity made contributions to a number of pension schemes, including The Teachers' Pension Scheme (TPS) and the Rhondda Cynon Taf County Borough Council Pension Fund (RCT), which is a defined benefit scheme.

The Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pension Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis () these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2012 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 9 June 2014. The key results of the valuation are:

- employer contribution rates were set at 16.4% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £0191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £15.0 billion;
- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2015. A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

https://www.teacherspension.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx

Lord Hutton, who chaired the Independent Public Service Pensions Commission, published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012, and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected. In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012.

The arrangements for a reformed Teachers' Pension Scheme, in line with the remainder of the recommendations made by Lord Hutton, have now been implemented. The Career Average Revalued Earnings (CARE) scheme was implemented from 1 April 2015, whereby benefits will accrue on a career average basis and there is a normal pension age aligned to the state pension age.

20. Pensions and other retirement benefits *(Continued)*

Defined benefit schemes
Rhondda Cynon Taf County Borough Council Pension Fund (RCT)

The results below relate to the funded liabilities with the Fund which is part of the Local Government Pension Scheme (the LGPS). The funded nature of the LGPS requires the employer and its employees to pay contributions in the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

Date of the last full valuation of the employer's LGPS funded benefits - 31 March 2019
Expected employer contribution next year - £26,000
Duration of liabilities - 30.8years

Key assumptions

	2020	2019
	£	£
Discount rate	1.40	2.00
Retirement benefit plans	2.20	2.10
Pension increases	2.20	2.10
Pension accounts revaluation rate	2.20	2.10
Salary increases	3.45	3.35

Mortality assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2020	2019
	£	£
Males		
Members aged 65 at accounting date	21.7	21.9
Members aged 45 at accounting date	22.7	23.6
Females		
Member aged 65 at accoutning date	24.0	23.8
Member aged 45 at accounting date	25.5	25.7

Asset allocation

	%	£	%	£
	£	£	£	£
Equities	71	509,000	68	370,000
Property	6	46,000	8	41,000
Government bonds	9	65,000	11	62,000
Corporate bonds	13	93,000	12	64,000
Cash	1	6,000	1	7,000
	100	719,00	100	544,000

Reconciliation of funded status to Statement of Financial Position

	2020 £	2019 £
Fair value of assets	719,000	544,000
Present value of funded defined benefit obligation	(843,000)	(575,000)
Funded status	(124,000)	(31,000)

The split of the liabilities at the last valuation between various categories of members is as follows:

	%
Active members	85
Deferred pensioners	15

Amounts recognised in the Statement of Financial Activities

	2020 £	2019 £
Operating cost		
- Current service cost	34,000	21,000
- Past service cost	15,000	–
Financing cost		
- Interest on net defined benefit liability	1,000	(1,000)
Pension expense recognised in the Statement of Financial Activities	50,000	20,000

Amounts recognised in other comprehensive income

	2020 £	2019 £
Asset (losses)/gains arising during the period	137,000	69,000
Liability gains arising during the period	(203,000)	(118,000)
Total amount recognised in other comprehensive income	(66,000)	(49,000)

Changes to the fair value of assets

	2020 £	2019 £
Opening fair value of assets	544,000	436,000
Interest income on assets	11,000	13,000
Remeasurement (losses)/gains on assets	137,000	69,000
Contributions by the employer	23,000	22,000
Contributions by the participants	5,000	5,000
Net benefits paid out	(1,000)	(1,000)
Closing fair value of assets	719,000	544,000

Changes to the present value of the defined benefit obligation

	2020	2019
	£	£
Opening defined benefit obligation	575,000	420,000
Current service cost	34,000	21,000
Interest expense on defined benefit obligation	12,000	12,000
Contributions by participants	5,000	5,000
Actuarial (gains)/losses on liabilities	203,000	118,000
Net benefits paid out	(1,000)	(1,000)
Past service cost	15,000	-
Closing defined benefit obligation	843,000	575,000

Actual return on assets

	2020	2019
	£	£
Interest income on assets	11,000	13,000
(Loss)/gain on assets	137,000	69,000
Actual return on assets	148,000	82,000

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020	Income	Expenditure	Gains and losses	**At 31 December 2020**
	£	£	£	£	£
General funds	892,238	1,629,181	(1,368,560)	(93,000)	1,059,859

	At 1 January 20 19	Income	Expenditure	Gains and losses	At 31 December 2019
	£	£	£	£	£
General funds	598,172	1,762,668	(1,421,602)	(47,000)	892,238

22. Analysis of net assets between funds

	Unrestricted Funds £	**Total Funds 2020 £**
Tangible fixed assets	58,764	58,764
Current assets	1,222,131	1,222,131
Creditors less than 1 year	(97,036)	(97,036)
Defined benefit pension	(124,000)	(124,000)
Net assets	1,059,859	1,059,859

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	74,856	74,856
Current assets	914,499	914,499
Creditors less than 1 year	(66,117)	(66,117)
Defined benefit pension	(31,000)	(31,000)
Net assets	892,238	892,238

23. Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	**At 31 Dec 2020 £**
Cash at bank and in hand	535,931	319,620	855,551

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	4,042	–
Later than 1 year and not later than 5 years	207,971	17,087
Later than 5 years	–	259,256
	212,013	276,343

25. Limitation of auditors liability

By way of a board resolution the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £50,000 per claim.

26. Related parties

No transactions with related parties were undertaken such as are required to be disclosed under FRS102.