

Charity Registration No. 1114460

Company Registration No. 5453363 (England and Wales)

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

LASER LEARNING AWARDS

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Trustees | Malcolm Bell (Chair) Fiona Morey Paul Phillips Sharon Phillips Eddie Playfair Professor Simon Thompson Lauren Anning Paul Barnard | (Appointed 7 August 2020) (Appointed 7 August 2020) |
| Chief Executive Officer | David Gittins | |
| Secretary | David Gittins | |
| Charity number | 1114460 | |
| Company number | 5453363 | |
| Registered office | 4 Marigold Drive Bisley Woking Surrey GU24 9SF | |
| Auditor | Frances Wilde FCCA DChA Warner Wilde Chartered Certified Accountants 4 Marigold Drive Bisley Surrey GU24 9SF | |
| Solicitors | ASB Law Innovis House 108 High Street Crawley West Sussex RH10 1AS | |

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

LASER LEARNING AWARDS

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THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

LASER LEARNING AWARDS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The Trustees, who are also directors present their report and accounts for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The principal objectives of the Charity, as declared in the Memorandum & Articles of Association, are the advancement of the education of the public in one or more of the following ways:

- a. by promoting lifelong learning, increasing social inclusion through educational advancement and widening participation in education and training, particularly by those persons who have previously been excluded from or had limited access to educational opportunities
- b. by improving the quality and flexibility of education provision for the public benefit
- c. by improving access to learning opportunities and facilitating progression to further learning, employment and higher education particularly through the award of credits and credit-based qualifications

Objectives and activities for 2020-21

The Charity continued to face the challenges of the ongoing COVID-19 pandemic which saw further lockdowns and Government restrictions during the year. Experience from 2019-20 and the adaptations to working practices enabled the Charity to continue working effectively to meet its business needs in support of its charitable aims.

The Trustees have continued to follow Charity Commission guidance in focussing on the Charity's educational objectives. The summary below is focussed on how the Charity has responded to the continuing pandemic in order to be able to continue to pursue its principal charitable aims.

- **General Operations**

Homeworking continued to be an option for many staff and only those few staff members in one team whose job roles relied on access to specialist facilities were required to work in an office environment. COVID tests, social distancing, protective equipment and enhanced cleaning have continued to be used in our offices.

- **Access to Higher Education Diplomas**

LASER continued to work closely with the regulator of the Access Diploma (QAA) to implement the revised Extraordinary Regulatory Framework (2020-21) which required LASER to work with providers of Access Diplomas to support learning and achievement via the use of extensive adaptations and enhanced recognition of extenuating circumstances for students. This was carried out effectively and efficiently in partnership with the QAA.

- **Ofqual Regulated Qualifications and Unregulated Courses under the Laser Learning Awards brand**

LASER continued to offer a wide range of courses used by schools, colleges, charities, community groups, local authorities and prisons with the primary aim of supporting learners to progress to further study or to support their transition into employment. Once again, the LASER Quality Team worked closely with providers to support adapted assessment methods to ensure achievement within the restrictions resulting from the pandemic and where relevant under the Extraordinary Regulatory Framework and the Extended Extraordinary Regulatory Framework as set out by Ofqual.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

LASER LEARNING AWARDS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

- **Security Qualifications under the Trident Awards brand**

During 2020-21 training providers were able to offer face to face training once again under revised guidance issued by the Security Industry Authority (SIA). As a result of this the volume of online delivery and assessment was greatly reduced. Optical Mark Reader technology was widely deployed for paper-based exams and some providers started to trial the use of invigilated online exams within their centres. Updated versions of the security qualifications as prescribed by the SIA were launched in April 2021. These revised qualifications are structured in such a way as to make them difficult to be delivered online. Furthermore, they contain a requirement for more contact hours and thus require training providers to devote more resources to offer the courses, as well as longer examinations and more practical assessments which require more resources to mark and process. We will continue to monitor the impact of these changes upon the uptake and quality of this provision.

Financial review

The budget for 2020-21 was set on the basis that continued disruption resulting from the pandemic may have an adverse impact on the Charity's business. Accordingly, income targets were reduced by some 30% and a potential overall deficit was anticipated. However, the outturn for 2020-21 showed a surplus of over £240,000 which demonstrated the effectiveness of our working practices and the demand for some of our key services, especially the demand for trained security operatives. The budget for 2021-22 has been set on the basis of this improved position with a projected surplus of just over £70,000 for the year end.

Reserves policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk management

The Trustees have an ongoing risk management strategy which includes a review at every meeting of the risks the Charity might face, particularly where these relate to regulatory compliance and financial health.

Plans for the future

The key areas of the Charity's services will continue to be developed to maximise the number of individuals who can benefit from our qualifications and courses.

- The Trident Awards brand will see further investment in plans to reduce paperwork and move as much of the process as is feasible into a digital format.
- One of our key qualification suites, the LASER Progression Qualifications, is being reviewed and redeveloped to widen the range of available units and to simplify its assessment structure.
- Further investment in e-learning courses to support our Access to HE Diplomas is continuing with the development of new courses and enhancement of existing courses to make them more interactive and user-friendly.
- Projects are also underway to work with selected partners to offer accreditation for courses overseas to support individuals to access degree level study and employment in an international context.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JULY 2021

Structure, governance and management

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 16 May 2005; its registered charity number is 1114460.

Open College Network South East Region Ltd is a fully independent awarding organisation and continues to use the 'Laser Learning Awards' (LASER) trading name and 'Trident Awards' brand since February 2012. Open College Network South East Region operates under separate licences from the Quality Assurance Agency for Higher Education (QAA) for its Access to HE work, from Ofqual for its national qualifications work and additionally from the Security Industry Authority (SIA) for its Trident Awards branded work in the security sector.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Malcolm Bell (Chair)

Fiona Morey

Paul Phillips

Sharon Phillips

Eddie Playfair

Professor Simon Thompson

Lauren Anning

(Appointed 7 August 2020)

Paul Barnard

(Appointed 7 August 2020)

Trustees

The overall management and governance of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum & Articles of Association. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up. Trustees have been appointed in accordance with the Company's governing documents, as established in its Memorandum and Articles of Association and related Rules. These are compliant with Company and Charity law and meet the expectations of the external regulating/licensing bodies. The Board of Trustees had four vacancies out a maximum of twelve at the end of the year.

New Trustees are made aware of, their legal obligations under Charity and company law; the content of the Memorandum & Articles of Association and Rules; the company structure, the committee and decision-making processes; the business plan and the recent financial performance of the Charity.

**THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JULY 2021**

Organisational structure and decision making

The Board of Trustees Board meets a minimum of three times a year and during 2020-21 the Board has continued to meet virtually in order to safeguard Board members and staff in light of the ongoing COVID-19 pandemic. The Senior Management Team (SMT), which comprises the CEO and Deputy CEO, attend in an ex-officio capacity. The SMT regularly monitors financial, quality, development, and centre approval issues in order to assess and manage risk. Remedial action is initiated if and when required, either by the SMT or Board of Trustees depending on the level of authority required.

Training needs for trustees are identified as part of the initial induction process and then on an annual basis by discussion at meetings of the Board. Informal training for trustees has been built into their meetings during the course of the year whereby they are actively engaged in monitoring and learning about the operational and strategic development of the Charity. For example, this includes active engagement in checking the statements of compliance made to both Ofqual and the QAA in respect of each of these regulatory licences. Furthermore, trustees are provided with news and updates regarding their role throughout the year. The trustees for the Charity are specially chosen for membership of the Board on the basis of their experience in the business of education and training which is the principal focus of the Charity's work.

There are also two sub-committees of the Board, the Quality Committee and the Access Quality and Development Committee, which have some devolved responsibility relating to each external regulator (Ofqual and QAA respectively). These committees meet a minimum of three times a year and are attended by an appropriate member of the SMT and other officers and each is chaired by a member of the Board. Following amendments to the Charity's Objects noted in last year's report, the Board of Trustees, at the meeting in June 2021, approved a set of revised Articles of Association and rules and regulations designed to update and streamline the governance of the Company.

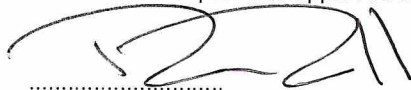
Auditor

In accordance with the company's articles, a resolution proposing that Warner Wilde Limited be reappointed as auditors of the company will be put to the members.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Malcolm Bell

Trustee

Dated: 7th December 2021

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 JULY 2021

The Trustees, who are also the directors of The Open College Network South East Region Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

Opinion

We have audited the financial statements of The Open College Network South East Region Limited (the 'Charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED

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

the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity and faith sector;

we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, the Charities Act 2011, taxation legislation, data protection, employment, environmental and health and safety legislation;

we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

testing controls with walk through procedures and substantive transaction testing;

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

performed analytical procedures to identify any unusual or unexpected relationships;
tested journal entries to identify unusual transactions;

assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias;

investigated the rationale behind significant or unusual transactions; and

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

agreeing financial statement disclosures to underlying supporting documentation;

reading the minutes of meetings of those charged with governance;

enquiring of management as to actual and potential litigation and claims;

reviewing correspondence with HMRC and relevant regulators such as the Charity Commisison

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE OPEN COLLEGE NETWORK SOUTH EAST REGION
LIMITED**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Frances Wilde FCCA DChA
For and on behalf of Warner Wilde
Chartered Certified Accountants
Statutory Auditor**

8 December 2021
.....

Warner Wilde
Chartered Certified Accountants
4 Marigold Drive
Bisley
Surrey GU24 9SF

Warner Wilde is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006")

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2021

| | Notes | Unrestricted funds 2021 £ | Unrestricted funds 2020 £ |
|-----------------------------------------------------------|-------|---------------------------------|---------------------------------|
| <u>Income and endowments from:</u> | | | |
| Charitable activities | 3 | 1,790,617 | 1,466,564 |
| Investments | 4 | 230 | - |
| Other income | 5 | 4,291 | 10,526 |
| Total income | | 1,795,138 | 1,477,090 |
| <u>Expenditure on:</u> | | | |
| Charitable activities | 6 | 1,551,283 | 1,405,472 |
| Net income for the year/ Net movement in funds | | 243,855 | 71,618 |
| Fund balances at 1 August 2020 | | 1,009,383 | 937,764 |
| Fund balances at 31 July 2021 | | 1,253,238 | 1,009,382 |

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
BALANCE SHEET
AS AT 31 JULY 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|-------------------------------------------------------|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 22,641 | | 22,068 |
| Current assets | | | | | |
| Debtors | 11 | 188,642 | | 144,370 | |
| Cash at bank and in hand | | 1,100,197 | | 890,521 | |
| | | <u>1,288,839</u> | | <u>1,034,891</u> | |
| Creditors: amounts falling due within one year | 12 | <u>(58,242)</u> | | <u>(47,577)</u> | |
| Net current assets | | | 1,230,597 | | 987,314 |
| Total assets less current liabilities | | | <u>1,253,238</u> | | <u>1,009,382</u> |
| Income funds | | | | | |
| Unrestricted funds | | | 1,253,238 | | 1,009,382 |
| | | | <u>1,253,238</u> | | <u>1,009,382</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

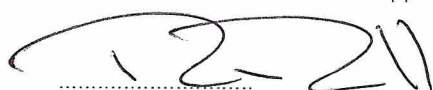
The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on

7 December 2021



Malcolm Bell (Chair)
Trustee

Company Registration No. 5453363

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--------------------------------------------------|-------|-----------|-----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 16 | | 217,283 | | 50,795 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (9,324) | | (14,523) | |
| Proceeds on disposal of tangible fixed assets | | 1,485 | | - | |
| Interest received | | 230 | | - | |
| Net cash used in investing activities | | | (7,609) | | (14,523) |
| Net cash used in financing activities | | | - | | - |
| Net increase in cash and cash equivalents | | | 209,674 | | 36,272 |
| Cash and cash equivalents at beginning of year | | | 890,521 | | 854,249 |
| Cash and cash equivalents at end of year | | | 1,100,197 | | 890,521 |

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

The Open College Network South East Region Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Marigold Drive, Bisley, Woking, Surrey, GU24 9SF.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|----------------------|
| Fixtures and Fittings | 25% Reducing Balance |
| Office Equipment | 25% Reducing Balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The Charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme. The charity also contributes to a defined benefit scheme, the Teachers Pension Scheme, contributions are also charged in the accounts as they become payable as the share of assets relating to the charity are not separately identifiable. Any difference between the charge to the Statement of Financial Activities and the contributions paid to either scheme are shown as assets or liabilities in the balance sheet.

1.12 Irrecoverable VAT

Irrecoverable VAT is written off to the SOFA as incurred and is disclosed in the same manner as the expense to which it relates.

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LASER LEARNING AWARDS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

| | Consultancy & project fees | Course accreditation | Total | Consultancy & project fees | Course accreditation | Total |
|------------------------------------|-------------------------------|-------------------------|-----------|-------------------------------|-------------------------|-----------|
| | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 |
| | £ | £ | £ | £ | £ | £ |
| Sales within charitable activities | 22,976 | 1,767,641 | 1,790,617 | 30,440 | 1,436,124 | 1,466,564 |

4 Investments

| | Unrestricted funds | Total |
|---------------------|-----------------------|-----------|
| | 2021 £ | 2020 £ |
| Interest receivable | 230 | - |

5 Other income

| | Unrestricted funds | Unrestricted funds |
|--------------|-----------------------|-----------------------|
| | 2021 £ | 2020 £ |
| Other income | 4,291 | 10,526 |

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
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6 Charitable activities

| | 2021 | 2020 |
|----------------------------------------|------------------|------------------|
| | £ | £ |
| Staff costs | 995,830 | 893,546 |
| Depreciation and impairment | 7,265 | 7,306 |
| Other costs | 153,204 | 142,926 |
| | <u>1,156,299</u> | <u>1,043,778</u> |
| Share of support costs (see note 7) | 374,178 | 342,178 |
| Share of governance costs (see note 7) | 20,806 | 19,516 |
| | <u>1,551,283</u> | <u>1,405,472</u> |

7 Support costs

| | Support costs | Governance costs | 2021 | Support costs | Governance costs | 2020 |
|----------------------------------------|----------------------|-------------------------|----------------|----------------------|-------------------------|----------------|
| | £ | £ | £ | £ | £ | £ |
| Other support costs | 374,178 | - | 374,178 | 342,178 | - | 342,178 |
| Audit fees | - | 7,734 | 7,734 | - | 7,734 | 7,734 |
| Legal and professional | - | 12,469 | 12,469 | - | 11,050 | 11,050 |
| Meeting costs | - | 8 | 8 | - | 137 | 137 |
| Trustee indemnity insurance | - | 595 | 595 | - | 595 | 595 |
| | <u>374,178</u> | <u>20,806</u> | <u>394,984</u> | <u>342,178</u> | <u>19,516</u> | <u>361,694</u> |
| Analysed between Charitable activities | <u>374,178</u> | <u>20,806</u> | <u>394,984</u> | <u>342,178</u> | <u>19,516</u> | <u>361,694</u> |

Fees payable to the auditor (including preparation of statutory accounts and irrecoverable VAT) £7,734 (2020: £7,734) and £2,752 (2020: £2,662) for other services.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but none (2020: two) of them were reimbursed a total of £nil (2020: £63) travelling expenses.

THE OPEN COLLEGE NETWORK SOUTH EAST REGION LIMITED
LASER LEARNING AWARDS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2021 | 2020 |
|--------------------------|---------------|---------------|
| | Number | Number |
| Management | 9 | 7 |
| Curriculum Development | 5 | 6 |
| Administration & Support | 18 | 16 |
| | <u>32</u> | <u>29</u> |

Employment costs

| | 2021 | 2020 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 805,878 | 715,724 |
| Social security costs | 71,933 | 61,677 |
| Other pension costs | 118,019 | 116,145 |
| | <u>995,830</u> | <u>893,546</u> |

The average number of posts includes 20 part time and 9 full time posts.

The number of employees whose annual remuneration was £60,000 or more were:

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

Of the employees whose emoluments exceed £60,000, 2 (2020: 2) had retirement benefits accruing under defined benefit pension schemes.

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LASER LEARNING AWARDS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

10 Tangible fixed assets

| | Fixtures and Fittings £ | Office Equipment £ | Total £ |
|------------------------------------|----------------------------------------|-----------------------------------|--------------------|
| Cost | | | |
| At 1 August 2020 | 11,528 | 56,607 | 68,135 |
| Additions | - | 9,324 | 9,324 |
| Disposals | - | (4,557) | (4,557) |
| At 31 July 2021 | 11,528 | 61,374 | 72,902 |
| Depreciation and impairment | | | |
| At 1 August 2020 | 11,181 | 34,887 | 46,068 |
| Depreciation charged in the year | 50 | 7,215 | 7,265 |
| Eliminated in respect of disposals | - | (3,072) | (3,072) |
| At 31 July 2021 | 11,231 | 39,030 | 50,261 |
| Carrying amount | | | |
| At 31 July 2021 | 297 | 22,344 | 22,641 |
| At 31 July 2020 | 348 | 21,720 | 22,068 |

There is no minimum value for capitalisation of tangible fixed assets. Items are identified on the basis of their enduring benefit.

11 Debtors

| | 2021 £ | 2020 £ |
|---------------------------------------------|-------------------|-------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 151,776 | 108,556 |
| Other debtors | 9,355 | 7,500 |
| Prepayments and accrued income | 27,511 | 28,314 |
| | 188,642 | 144,370 |

12 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|-------------------|-------------------|
| Trade creditors | 28,916 | 21,484 |
| Accruals and deferred income | 29,326 | 26,093 |
| | 58,242 | 47,577 |

13 Operating lease commitments

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

13 Operating lease commitments

(Continued)

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2021 | 2020 |
|----------------------------|---------------|---------------|
| | £ | £ |
| Within one year | 29,520 | 27,500 |
| Between two and five years | 46,740 | - |
| | <u>76,260</u> | <u>27,500</u> |

14 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2021 | 2020 |
|------------------------|----------------|----------------|
| | £ | £ |
| Aggregate compensation | <u>164,083</u> | <u>159,132</u> |

15 Provisions Available to Smaller Entities

In common with many other entities of our size and nature we use our auditors to assist with the preparation of the financial statements and to provide regular support to our finance team.

16 Cash generated from operations

| | 2021 | 2020 |
|-------------------------------------------------------------------|----------------|---------------|
| | £ | £ |
| Surplus for the year | 243,855 | 71,618 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (230) | - |
| Depreciation and impairment of tangible fixed assets | 7,265 | 7,306 |
| Movements in working capital: | | |
| (Increase) in debtors | (44,272) | (29,795) |
| Increase in creditors | 10,665 | 1,666 |
| Cash generated from operations | <u>217,283</u> | <u>50,795</u> |

17 Analysis of changes in net funds

The Charity had no debt during the year.