

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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## **SKILLS AND EDUCATION GROUP AWARDS**

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## SKILLS AND EDUCATION GROUP AWARDS

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2021

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<b>Trustees</b>	Skills and Education Group J B Lanning (resigned 5 July 2021) G Clipson MBE, Chair A M Traynor S E Powell (appointed 12 January 2021) P J Beach (appointed 20 April 2021, resigned 22 October 2021)
<b>Company registered number</b>	04117784
<b>Charity registered number</b>	1086947
<b>Registered office</b>	Robins Wood House Robins Wood Road Aspley Nottingham NG8 3NH
<b>Company secretary</b>	S N Feneley-Lamb
<b>Chief executive officer</b>	P A Eeles
<b>Independent auditor</b>	BHP LLP 2 Rutland Park Sheffield South Yorkshire S10 2PD
<b>Bankers</b>	Natwest 536 Valley Road Nottingham NG5 1FL
<b>Solicitors</b>	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

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The Trustees (who are also Directors for the purpose of company law) present their annual report together with the audited financial statements of the Charity for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (published in October 2019).

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

#### ***Objectives and activities***

##### **a. Policies and objectives**

The Charity provides a range of service in furtherance of its charitable objective to support "the advancement of skills and education to improve the lives of individuals". These services include:

- awarding and assessment services and qualification regulated by Ofqual, Qualifications Wales and CCEA (Northern Ireland)
- end-point assessment (EPA) services
- awarding and assessment services for non-regulated skills and education programmes
- local, regional and national stakeholder engagement to inform and support policy developments and implementation.

The strategic and business objectives of the Charity support those of the wider Group-structure but maintain a focus on its own objectives. Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake. The Charity's objectives, supporting growth and long-term sustainability, are identified as part of an annual strategic planning process that Trustees and staff contribute to.

The resulting rolling five-year strategic plan is then agreed and monitored by Trustees.

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

- customer satisfaction
- staff satisfaction
- level of turnover
- level of surplus as a % of turnover
- registration, certification and centre performance.

#### ***Achievements and performance delivering public benefit***

##### **a. Main achievements of the Charity**

The 2020/21 year saw a strong recovery following the uncertainties of the previous year which was more significantly affected by Covid-19. The recovery demonstrates the resilience of the Charity in meeting and adapting to a changing regulatory, social and economic environment. It also demonstrates the resilience of the providers that the Charity works

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021**

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#### **Achievements and performance delivering public benefit (continued)**

with and the support that is given by both the Charity and providers to learners.

The Charity developed and launched a total of thirty new qualifications in 2020/21, which included a suite of Level 1 qualifications with eLearning, and the new Transport Manager qualifications for Road Haulage and Passenger Transport. A Level 3 road haulage qualification went on to become the top performing qualification (by income) for the year ending 2021.

A total of 108 qualifications were reviewed between 1 September 2020 and 31 August 2021. This included many of the reviews planned for 2021/22; these were bought forward to allow the product development team the space and time to focus on the review of the BIIAB (a sister company) qualification portfolio in 2021/22.

There were 23,513 registrations against fourteen occupational sectors. Registrations were highest for engineering and manufacturing occupations (37% of all registrations). Other strong performing sectors were Skills for Life, Learning, Employment and Progression (23%) and counselling and therapy (16%).

The Charity has continued to submit applications for approval to deliver additional end-point assessments throughout 2020/21. As a result, it was approved to offer twelve Apprenticeship Standards across three sectors. The Charity was the first (and currently only) end-point assessment organisation (EPAO) to be approved for the new Level 3 Youth Support Worker Apprenticeship Standard.

Development work was carried out during the year on a new awarding management platform prior to a go-live date of autumn 2022. The new platform will be used for awarding management across all aspects of the Charity and by other subsidiaries in the Group. It provides comprehensive regulatory compliance and an improved customer interface. The platform also has defined governance and risk management modules that will support the work of the Trustees and their responsibilities.

All staff had returned to work from furlough, on at least a flexible basis, by 1 September 2020 and on a full-time basis by October 2020.

Being part of a group structure, the Charity benefits from cross-group services that are delivered through the Member Services and Communications and Operations Directorates.

#### **Member Services and Communications**

The Membership and Communications team reported an increase in engagement with Centres during the year, reflecting the recovery from the impact of Covid-19 in 2019/20 and the resilience of both the Charity and its beneficiaries.

The team provided regular briefings and updates to Centres and held drop-in sessions for customers, providing information, advice and guidance. The business development team were restructured, changing the emphasis of the role to relationship management. Relationship managers moved to operating on a regional basis and have a portfolio of customers spanning across the Group, providing a central point of contact for all group-side services. The team are also building with key regional stakeholders, intelligence from which is used to support product development, strategic and business planning.

#### **Operations**

The Operations team provided finance, IT and HR functions, data protection and the management of premises and health and safety, particularly in the context of Covid-19. Governance and risk management is the responsibility of the Chief Operating Officer who heads up this team.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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#### **Achievements and performance delivering public benefit (continued)**

There was a staged re-opening of Charity premises with, in some instance, a move to permanent home working for some staff. For other staff, whose role permits it, flexible working patterns that supported a mix of home and office-based work was introduced. A Covid-19 Risk Assessment was developed in advance of staff returning and updated/maintained to reflect new and emerging guidance. The development of this was supported by a group of staff from different teams and entities within the Group. Health and safety equipment and resources have been purchased to help mitigate the risk of Covid-19 in the workplace.

The "lockdown" period tested the ability of the Charity to work remotely whilst continuing to support customers and maintain business functions. This was, generally, very successful but raised questions about the longer term need to sustain remote working and provide professional online support for customers. It became clear that there is far wider acceptance of online professional development and an increasing willingness to participate in virtual meetings and events. As it was felt that this way of working was likely to continue post-pandemic, IT hardware and other resources needed to support remote working and the growth objectives of the Charity were identified. Investment was made into audio visual equipment supporting virtual and hybrid meetings (a mix of virtual participants and face-to-face).

#### **b. Fundraising standards information**

The charity does not carry out any significant fundraising activities.

#### ***Financial review***

##### **a. Going concern**

Trustees worked closely with the Executive Leadership Team to develop strategic and operational plans that not only mitigate the impact of Covid-19 but also supported the sustained growth of the Group and its subsidiary charities. Such plans included the development of new products and services, and the identification of resources needed to support current and future planned developments. The acquisition of BIIAB Qualifications Limited (BIIAB), which presented itself at the start of the previous financial year, was completed in February 2021. This followed detailed financial and legal due diligence. In agreeing the purchase, Trustees were keen to protect the financial health of the Group and its subsidiary charities. A purchase agreement was, therefore, put into place providing a model supporting a) minimal cash payment on the date of purchase; and, b) staged purchase payments linked to profitability over a five-year period. The acquisition of BIIAB significantly extended the portfolio of services offered across the Group, increasing the number of customers and access to market. Trustees are confident that BIIAB will make a positive contribution to the on-going financial growth of the Skills and Education Group.

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

Based on this work, trustees have a continuing reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Consequently, the trustees continue to adopt the going concern basis of accounts in preparing the financial statements. Further details on the adoption of the going concern basis can be found in the accounting policies.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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#### b. Reserves policy

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

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

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

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

Unrestricted funds at the end of the year were £1,670,574 (2020: £1,371,955) and free reserves at the end of the year are £1,562,116 (2020: £1,319,089) which is in line with the reserves policy. The reserves policy is set at group level and more details on the policy are available in the Skills and Education Group accounts.

#### c. Financial performance and position

The Charity remains in a financially healthy position and continues to meet its agreed financial targets. The Charity achieved a surplus of £298,619 (2020: £107,050).

Total income was £1,881,515 (2020: £1,630,318). Expenditure was £1,582,896 (2020: £1,523,268). Salaries and associated costs remain the primary cost to the Charity.

Net assets at the year-end are £1,670,574 (2020: £1,371,955). All funds are unrestricted.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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#### d. Risk management

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

Key risks to the Charity are:

- A fast-changing political environment that has an impact on education policy and funding to support this
- Regulatory changes and a failure to respond to these in the way that is needed to ensure continuing compliance
- Failure to appropriately manage and store personal data leading to a data breach under the General Data Protections regulations
- The ongoing impact of Covid-19 on education as well as the wide economy.

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

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

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

#### ***Structure, governance and management***

##### **a. Constitution**

The organisation is a charitable company limited by guarantee, incorporated on 30 November 2000.

The company was set-up under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. The Articles were most recently revised in October 2018 and reflect current structural and governance requirements.

Skills and Education Group Awards is a controlled charity within the wider Skills and Education Group which includes:

- Skills and Education Group, the parent charitable company, limited by guarantee  
Company Number 02640936  
Charity Number 1004087
- Skills and Education Group Access (formerly Open College Network Yorkshire and Humber Region) a charitable company limited by guarantee:  
Company Number 03773914  
Charity Number 1088839



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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021**

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

- BIIAB Qualifications Limited, a company limited by shares  
Company Number 10054831
- Quality License Scheme Limited (from 1 September 2021) a private company limited by guarantee without share capital  
Company Number 10051052

#### **b. Methods of appointment or election of Trustees**

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

J B Lanning (resigned 5 July 2021)

P J Beach (appointed 20 April 2021) (resigned 22 October 2021)

S E Powell (appointed 12 January 2021)

Newly appointed trustees were recruited in accordance with the Articles of Association adopted 16 October 2018 under Article 27:

“directors (trustees) shall be appointed or removed by the majority of members (from time to time) by service of written notice at the registered office of the association”.

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

#### **c. Policies adopted for the induction and training of Trustees**

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

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

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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

##### d. Organisational structure and decision-making policies

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

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

A Chairs and ELT Group meets four times a year and enables the Chairs to have a collective and strategic oversight of the Charity. The Chairs of the Charity, Skills and Education Group, Skills and Education Access and BIIAB Qualifications Limited are members of this Group.

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

- the performance of the CEO and the Executive Leadership Team
- financial performance for the Charity and take a holistic view of all entities within the group structure
- performance against strategic and business plans for the Charity and all other entities
- identify opportunities for growth and the approach that may be taken to progress these
- determine longer-term strategic direction to help shape plans and proposals for all Trustees to consider

The Charity Chair is a Trustee of the Skills and Education Group, an appointment made under article 21 of the Skills and Education Group Articles.

Day-to-day management of the Charity is delegated to the Group Chief Executive Officer, Paul Eeles, who is supported by:

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

The CEO, COO and two Directors form the Executive Leadership Team. The COO is the Company Secretary for the purpose of Company Law.

The Executive Leadership Team meets on a weekly basis with one meeting a month having a focus on financial performance. Other discussion items include:

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

At the end of 2021, a senior management team (SMT) consisting of Heads of Service was created. This reflects the size and diverse nature of the Group of charities/companies. The SMT meet monthly and inform the development and implementation of day-to-day business/operational plans and longer-term strategic plans.

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021**

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

In addition, a Scrutiny Group meets once a month to formally review regulatory needs across all awarding functions and other regulatory requirements including those relating to the Information Commissioners Officer (ICO), Companies House and the Charity Commission. Scrutiny Group membership is the ELT, Deputy Director of Awarding/Responsible Officer, Head of Access, Head of Compliance and Regulation and the Head of Quality.

#### **e. Pay policy for key management personnel**

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

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

#### **Plans for future periods**

Trustees supported the development and adoption of "Ambition 2025", challenging assumptions and using their skills and knowledge to define objectives and associated targets. Ambition 2025 is a five-year strategic plan that articulates ten key priorities that will take the Charity forward. This re-defined the Charity's purpose, mission and vision to reflect the expanded Group and the services that this now provides:

#### **Purpose**

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

#### **Mission**

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

#### **Vision**

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

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021**

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#### **Plans for future periods (continued)**

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

- To see a growth in membership
- Increase the number of people participating in professional development events
- An increase in the uptake of grants to learners awarded through the Group's Foundation
- The appointment of champions to support social mobility
- Year-on-year increase in the number of certificates issued for regulated and non-regulated activities
- Increase the number of Ofqual-regulated awards
- Increase turnover
- Develop an international offer for Access to HE
- Undertake staff surveys, targeting a year-on-year increase in overall staff satisfaction
- Development and sign-off by Trustees of a five-year product development plan.

Trustees recognised the importance of the White Paper "Skills for Jobs: Lifelong Learning for Opportunity and Growth" (published January 2021) and continue to consider the future direction of the Charity in the context of further education reforms. Trustees recognise the importance of accessible, responsive, and flexible training and the role that employers have in this. The future plans of the Charity are aligned to the White Paper (much of which has been welcomed by the further education sector) and are reflected in business plans that support Ambition 2025.

Trustees also note, the intent for excellent teaching in further education and the role that the Charity has through its professional development offer in supporting this.

#### **Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Disclosure of information to auditor**

In so far as the Trustees are aware:

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

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

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

  
G.Clipson (Mar 31, 2022 12:25 GMT+1)

**G Clipson MBE**  
(Chair of Trustees)  
Date: Mar 31, 2022

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## **SKILLS AND EDUCATION GROUP AWARDS**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKILLS AND EDUCATION GROUP AWARDS**

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#### **Opinion**

We have audited the financial statements of Skills and Education Group Awards (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

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

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#### **Other information**

The other information comprises the information included in the trustees' report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

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

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates, and considered the risk of such regulations, including fraud. Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to license regulations for awarding and assessment activities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error.

We focussed on laws and regulations relevant to the trust which could give rise to a material misstatement in the financial statements. Our testing included discussions with management and directors with direct responsibility for the compliance with laws and regulations, agreeing financial statement disclosures to underlying supporting documentation, and reviewing legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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



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## SKILLS AND EDUCATION GROUP AWARDS

(A company limited by guarantee)

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

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irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Marshall (Apr 4, 2022 14:07 GMT+1)

**Jane Marshall (senior statutory auditor)**

for and on behalf of

**BHP LLP**

2 Rutland Park

Sheffield

S10 2PD

Date: Apr 4, 2022

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Charitable activities	4	1,875,429	1,875,429	1,624,647
Investments	5	117	117	3,091
Other income	6	5,969	5,969	2,580
<b>Total income</b>		<b>1,881,515</b>	<b>1,881,515</b>	<b>1,630,318</b>
<b>Expenditure on:</b>				
Charitable activities	7	1,582,896	1,582,896	1,523,268
<b>Total expenditure</b>		<b>1,582,896</b>	<b>1,582,896</b>	<b>1,523,268</b>
<b>Net movement in funds</b>		<b>298,619</b>	<b>298,619</b>	<b>107,050</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,371,955	1,371,955	1,264,905
Net movement in funds		298,619	298,619	107,050
<b>Total funds carried forward</b>		<b>1,670,574</b>	<b>1,670,574</b>	<b>1,371,955</b>

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

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**SKILLS AND EDUCATION GROUP AWARDS****(A company limited by guarantee)****REGISTERED NUMBER: 04117784**

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**BALANCE SHEET  
AS AT 31 AUGUST 2021**


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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	11	93,290	34,447
Tangible assets	12	15,168	18,419
		<b>108,458</b>	52,866
<b>Current assets</b>			
Stocks	13	28,855	24,180
Debtors	14	233,196	133,445
Cash at bank and in hand		1,455,331	1,226,258
		<b>1,717,382</b>	1,383,883
Creditors: amounts falling due within one year	15	(155,266)	(64,794)
<b>Net current assets</b>		<b>1,562,116</b>	1,319,089
<b>Total assets less current liabilities</b>		<b>1,670,574</b>	1,371,955
<b>Total net assets</b>		<b>1,670,574</b>	1,371,955
<b>Charity funds</b>			
Unrestricted funds	16	1,670,574	1,371,955
<b>Total funds</b>		<b>1,670,574</b>	1,371,955

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

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

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

  
G.Clipson (Mar 31, 2022 12:25 GMT+1)

**G Clipson MBE**

(Chair of Trustees)

Date: Mar 31, 2022

The notes on pages 19 to 34 form part of these financial statements.

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**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	<b>301,589</b>	11,802
<b>Cash flows from investing activities</b>			
Bank interest		<b>117</b>	3,091
Purchase of intangible assets		<b>(72,633)</b>	-
Purchase of tangible fixed assets		-	(19,502)
<b>Net cash used in investing activities</b>		<b>(72,516)</b>	<b>(16,411)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>229,073</b>	<b>(4,609)</b>
Cash and cash equivalents at the beginning of the year		<b>1,226,258</b>	1,230,867
<b>Cash and cash equivalents at the end of the year</b>	19	<b>1,455,331</b>	1,226,258

The notes on pages 19 to 34 form part of these financial statements

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## SKILLS AND EDUCATION GROUP AWARDS

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1. General information

The Charity is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Its aim is the advancement of the education and training of young people and adults primarily through the provision of nationally recognised qualifications.

#### 2. Accounting policies

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared in £ sterling which is the functional currency of the charity, rounded to the nearest £1.

##### **2.2 Going concern**

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

##### **2.3 Income**

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

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

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

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## SKILLS AND EDUCATION GROUP AWARDS

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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## 2. Accounting policies (continued)

### 2.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

### 2.5 Taxation

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

### 2.6 Intangible assets and amortisation

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

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

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

Amortisation is provided on the following bases:

Assets under development	-	Not depreciated
Website	-	25 % straight line
Software	-	20 % straight line

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation**

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

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Computer equipment	- 6 years straight line
Marketing equipment	- 3 years straight line

**2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.9 Debtors**

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

**2.10 Cash at bank and in hand**

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

**2.11 Liabilities and provisions**

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

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

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

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**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Accounting policies (continued)**

**2.12 Financial instruments**

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

**2.13 Fund accounting**

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

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

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

There were no critical accounting estimates or assumptions this year that are deemed to be material in nature to the financial statements.

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Accredited	1,622,834	<b>1,622,834</b>	1,420,205
Non-Accredited	252,595	<b>252,595</b>	204,442
	<hr/> 1,875,429 <hr/>	<hr/> <b>1,875,429</b> <hr/>	<hr/> 1,624,647 <hr/>
Total 2020	<hr/> 1,624,647 <hr/>	<hr/> 1,624,647 <hr/>	



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**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**4. Income from charitable activities (continued)**

Income within this classification represent course and licensing fees and assessment income.

**5. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Interest receivable	117	117	3,091
	<hr/>	<hr/>	<hr/>
Total 2020	3,091	3,091	
	<hr/>	<hr/>	

**6. Other incoming resources**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Admin fees and other income	5,969	5,969	2,580
	<hr/>	<hr/>	<hr/>
Total 2020	2,580	2,580	
	<hr/>	<hr/>	

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**7. Analysis of expenditure on charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Accredited	1,384,075	<b>1,384,075</b>	1,322,192
Non-Accredited	198,821	<b>198,821</b>	201,076
	<u>1,582,896</u>	<u><b>1,582,896</b></u>	<u>1,523,268</u>
Total 2020	<u>1,523,268</u>	<u>1,523,268</u>	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Accredited	257,489	1,126,586	<b>1,384,075</b>	1,322,192
Non-Accredited	23,185	175,636	<b>198,821</b>	201,076
	<u>280,674</u>	<u>1,302,222</u>	<u><b>1,582,896</b></u>	<u>1,523,268</u>
Total 2020	<u>452,674</u>	<u>1,070,594</u>	<u>1,523,268</u>	

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**SKILLS AND EDUCATION GROUP AWARDS****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**8. Analysis of expenditure by activities (continued)****Analysis of direct costs**

	<b>Accredited 2021 £</b>	<b>Non- Accredited 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	72,903	11,347	<b>84,250</b>	274,855
Moderator costs	136,143	-	<b>136,143</b>	90,779
Centre approval costs	3,668	-	<b>3,668</b>	5,627
Certificates	35,771	-	<b>35,771</b>	38,753
QLS audit	-	5,600	<b>5,600</b>	11,928
Centre audit	9,004	-	<b>9,004</b>	12,107
Bad debt expense	-	6,238	<b>6,238</b>	18,625
	<hr/>	<hr/>	<hr/>	<hr/>
	257,489	23,185	<b>280,674</b>	452,674
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2020	<hr/>	<hr/>	<hr/>	
	387,534	65,140	452,674	
	<hr/>	<hr/>	<hr/>	

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Accredited 2021 £</b>	<b>Non- Accredited 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	816,595	127,103	<b>943,698</b>	814,257
Depreciation	14,745	2,295	<b>17,040</b>	14,662
Business stationery	2,060	321	<b>2,381</b>	103
Marketing and business development	11,535	1,795	<b>13,330</b>	2,643
Legal, professional and insurance	1,408	219	<b>1,627</b>	10,977
Travel, subsistence and conference costs	7,344	1,143	<b>8,487</b>	32,450
Bank charges	1,316	205	<b>1,521</b>	1,506
Development costs	46,120	7,109	<b>53,229</b>	10,951
Sundry expenses	32,915	5,123	<b>38,038</b>	19,121
Parent supplied recharge	105,762	16,462	<b>122,224</b>	77,766
IT expenses	42,955	6,686	<b>49,641</b>	42,330
Irrecoverable VAT	26,380	4,458	<b>30,838</b>	28,308
Donations	10,816	1,684	<b>12,500</b>	7,260
Audit fees	6,635	1,033	<b>7,668</b>	8,260
	<b>1,126,586</b>	<b>175,636</b>	<b>1,302,222</b>	<b>1,070,594</b>
Total 2020	<b>934,658</b>	<b>135,936</b>	<b>1,070,594</b>	

Support costs have been allocated on the basis of the income split between accredited and non-accredited.

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**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**9. Staff costs**

The below staff costs were recharged from the parent charity:

	<b>2021</b>	2020
	<b>£</b>	£
Wages and salaries	<b>860,867</b>	918,946
Social security costs	<b>81,506</b>	87,115
Pension costs	<b>85,575</b>	83,051
	<b>1,027,948</b>	1,089,112

The above costs represent staff, including key management personnel, working on behalf of the charity, but paid through the parent controlling organisation. These costs represent a mixture of direct and support costs which are analysed separately within the relevant notes.

The charity did not directly employ any members of staff in the current or comparative year and therefore no employee received remuneration amounting to more than £60,000 in either year.

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year, no expenses were reimbursed to Trustees (2020: travel expenses totalling £331 were reimbursed 3 trustees).

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**11. Intangible assets**

	Assets under development £	Website £	Software £	Total £
<b>Cost</b>				
At 1 September 2020	-	93,195	-	93,195
Additions	31,677	19,415	21,541	72,633
At 31 August 2021	31,677	112,610	21,541	165,828
<b>Amortisation</b>				
At 1 September 2020	-	58,748	-	58,748
Charge for the year	-	13,376	414	13,790
At 31 August 2021	-	72,124	414	72,538
<b>Net book value</b>				
At 31 August 2021	31,677	40,486	21,127	93,290
At 31 August 2020	-	34,447	-	34,447

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**12. Tangible fixed assets**

	Computer equipment £	Marketing equipment £	Total £
<b><i>Cost or valuation</i></b>			
At 1 September 2020	29,833	4,644	34,477
At 31 August 2021	29,833	4,644	34,477
<b><i>Depreciation</i></b>			
At 1 September 2020	11,414	4,644	16,058
Charge for the year	3,251	-	3,251
At 31 August 2021	14,665	4,644	19,309
<b><i>Net book value</i></b>			
At 31 August 2021	15,168	-	15,168
At 31 August 2020	18,419	-	18,419

**13. Stocks**

	2021 £	2020 £
Finished goods and goods for resale	28,855	24,180

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**14. Debtors**

	2021 £	2020 £
Trade debtors	173,582	99,029
Amounts owed by group undertakings	10,282	2,214
Other debtors	999	1,172
Prepayments and accrued income	48,333	31,030
	<u>233,196</u>	<u>133,445</u>

**15. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	26,987	27,497
Amounts owed to group undertakings	61,211	1,034
Other taxation and social security	3,340	1,601
Other creditors	2,520	159
Accruals and deferred income	61,208	34,503
	<u>155,266</u>	<u>64,794</u>

	2021 £	2020 £
Deferred income at 1 September 2020	25,375	23,042
Resources deferred during the year	27,292	25,375
Amounts released from previous periods	(25,375)	(23,042)
<b>Deferred income at 31 August 2021</b>	<u>27,292</u>	<u>25,375</u>

Deferred income represents monies received in advance for learner registrations on accredited and non-accredited courses.



**SKILLS AND EDUCATION GROUP AWARDS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
<b><i>Unrestricted funds</i></b>				
General funds	<b>1,371,955</b>	<b>1,881,515</b>	<b>(1,582,896)</b>	<b>1,670,574</b>

**Statement of funds - prior year**

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
<b><i>Unrestricted funds</i></b>				
General funds	<b>1,264,905</b>	<b>1,630,318</b>	<b>(1,523,268)</b>	<b>1,371,955</b>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	15,168	<b>15,168</b>
Intangible assets	93,290	<b>93,290</b>
Current assets	1,717,382	<b>1,717,382</b>
Creditors due within one year	(155,266)	<b>(155,266)</b>
<b>Total</b>	<b>1,670,574</b>	<b>1,670,574</b>

**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	18,419	18,419
Intangible fixed assets	34,447	34,447
Current assets	1,383,883	1,383,883
Creditors due within one year	(64,794)	(64,794)
<b>Total</b>	<b>1,371,955</b>	<b>1,371,955</b>

**18. Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	<b>298,619</b>	107,050
<b>Adjustments for:</b>		
Depreciation charges	<b>3,251</b>	1,083
Amortisation charges	<b>13,790</b>	13,579
(Increase) in stocks	<b>(4,675)</b>	(13,474)
(Increase)/decrease in debtors	<b>(99,751)</b>	42,544
Increase/(decrease) in creditors	<b>90,472</b>	(135,889)
Bank interest	<b>(117)</b>	(3,091)
<b>Net cash provided by operating activities</b>	<b>301,589</b>	11,802

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**SKILLS AND EDUCATION GROUP AWARDS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**19. Analysis of cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>1,455,331</b>	1,226,258
<b><i>Total cash and cash equivalents</i></b>	<b>1,455,331</b>	1,226,258

**20. Analysis of changes in net debt**

	<b>At 1 September 2020</b>	<b>Cash flows</b>	<b>At 31 August 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>1,226,258</b>	<b>229,073</b>	<b>1,455,331</b>
	<b>1,226,258</b>	<b>229,073</b>	<b>1,455,331</b>

**21. Related party transactions**

During the year the charity was recharged wages and other costs from its parent, totalling £1,150,172 (2020: £872,359), and made payments to its parent totalling £1,106,868 (2020: £1,166,878). At the year end an amount of £60,238 (2020: £1,034) was owed to Skills and Education Group.

Skills and Education Group Access, a subsidiary of the parent company Skills and Education Group, was recharged costs of £15,043 (2020: £20,764) and payments were made to this charity of £4,003 (2020: £55,387). At the year end a balance of £973 (2020: £2,214 owed by) was owed to Skills and Education Group Access to the charity.

BIIAB, a subsidiary of the parent company Skills and Education Group and was acquired on 28 February 2021 was recharged costs of £10,732. At the year end a balance of £10,282 was owed by BIIAB to the charity.

Paul Eeles, a trustee, was a director of Federation of Awarding Bodies until December 2020. During the year, purchases of £14,748 (2020: £nil) were made from Federation of Awarding Bodies. There was £11,134 owed to Federation of Awarding Bodies at the year end (2020: £nil).

JB Lanning, a trustee, is the Vice Chair at City College Norwich. During the year, income of £1,372 (2020: £nil) was received from City College Norwich. There were no amounts owed by City College Norwich at year end (2020: £nil).

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## SKILLS AND EDUCATION GROUP AWARDS

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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#### 22. Controlling party

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

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