

Open College of the Arts
(A company limited by guarantee)

Financial Statements

for the year ended 31 July 2018

Charity No.	327446
Company No.	2125674

Open College of the Arts

Financial Statements for the year ended 31 July 2018

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Open College of the Arts

Strategic Report

The Board of Trustees present the report and accounts on behalf of the trustees for year ended 31 July 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities and in accordance with Financial Reporting Standards (FRS 102).

Purposes and activities for public benefit

The charity trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission for England and Wales in exercising their duties and trust that this report, together with the information on the charity's website (www.oca.ac.uk) and the work the charity does in delivering its objectives is self-evident of its compliance. The mechanisms for the governance and management of OCA have been provided to the Office for Students as part of the requirements for registration of the University for the Creative Arts (UCA) Group. Additionally, in June 2017 the Board of Trustees for OCA agreed to operate within the Charity Governance Code, established by the Charity Commission.

The Board conducts regular reviews of its effectiveness including a trustee skills audit which took place in November 2017. The audit determined that there was a need to increase the diversity of board members and a process of trustee recruitment was undertaken which increased the Board of Trustees from six to nine members from February 2018 to include new members with a variety of backgrounds and experience from outside traditional HE but who share the mission and values of OCA.

The object of the charity is to promote and provide education and training in the field of arts and crafts and related skills and disciplines in all countries of the world.

The principal work of the charity is through the provision of high quality, tutor supported, distance learning courses. This is undertaken using specially written course manuals and associated learning materials which guide students through a programme of work.

Merger with the University for the Creative Arts

On 1 November 2016, having concluded, after careful consideration of all relevant factors, that the best interests of current and future students would be served by merger, the trustees approved the merger with the University for the Creative Arts ("UCA").

Achievements and performance

In September 2017 we welcomed Will Woods the Chief Executive and Principal to the Charity. During the year, the OCA continued to focus its efforts on improving the quality of the student experience and widening the student choice.

Notable achievements include:

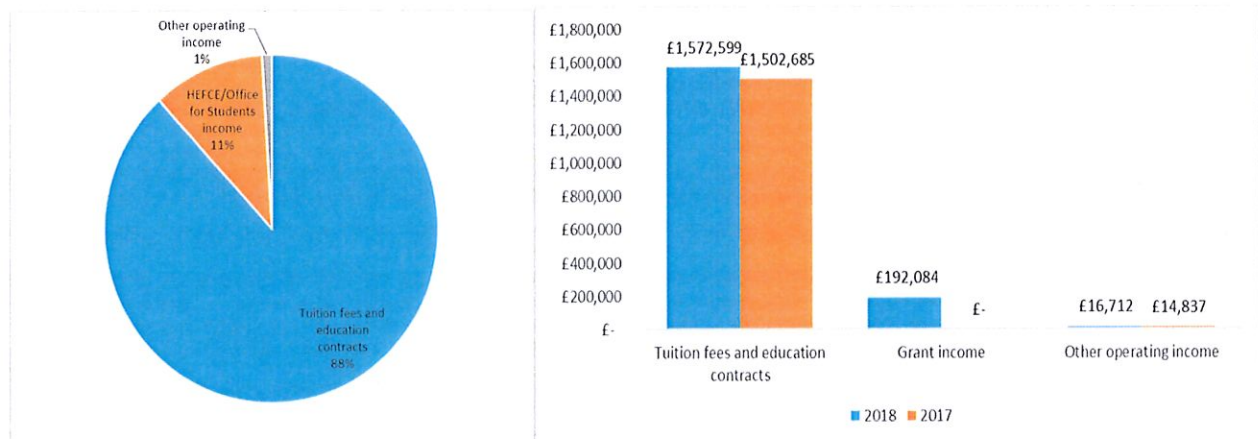
- Recruitment to increase Board of Trustees (to nine members), considering wider diversity and background across Board
- Establishment of the Learner Support Team to assist the most vulnerable students
- Restructuring and appointment of new permanent posts, including two Directors and programme leaders
- Lease of adjacent unit, increasing office, meeting and studio space

- Establishment of draft Academic Strategy and Digital Transformation Strategy
- Implementation of "project 2018" knowledge exchange project.
- Development and implementation of Interior Design programme
- Development of Garden Design programme
- Implementation of 4 short course pilots
- Implementation of foundation offers
- Market Research
- Refreshing Student Regulations and Academic Regulatory Framework (aligning to UCA)
- Creation and implementation of modern slavery policy, wellbeing policy, safeguarding policy, equality strategy and equality plan.
- Implementation of new salary spine and alignment of roles to HERA
- Engagement in National Student Survey, achieving 92% overall student satisfaction.

Financial review

The Charity achieved a surplus of £23,468 for the year ended 31 July 2018.

Income



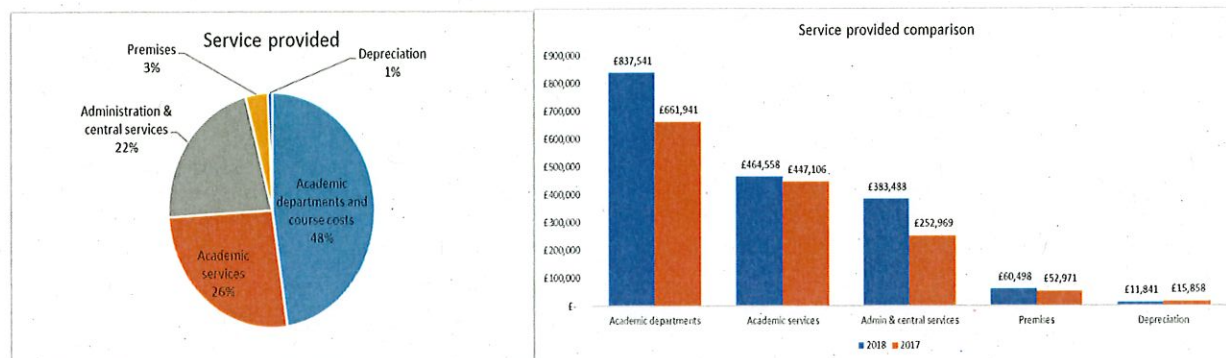
The majority of the Charity's income is from tuition fees; students have the flexibility to complete their degree course over a number of years and are invoiced for each unit as they commence; an element of income is deferred for units which have not been completed. Tuition fee income increased by 5% year on year. For the first time the Charity received grant funding via UCA from HEFCE/Office for Students. The amount of the grant in future will depend on the Charity's student numbers and government policy in relation to the funding of higher education.

Expenditure



In the year, the Charity made the decision to employ its programme leaders in order to provide a more robust and sustainable model for both staff and OCA. Previously programme leaders were self-employed contractors

and their costs were accounted for as operating costs. Staff costs amount to 47% of the Charity's expenditure; pay to tutors is variable and is dependent upon the number and type of enrolled courses.



The Charity has made use of the HEFCE/OFS grant funding to enable it to provide extra Learning Support in year and to invest in course development including the expansion of Foundation level courses.

Investment powers and policy

The trustees have the power to invest (to the extent that there are surpluses available for this purpose). During 2017/18 there were no such investment surpluses.

Reserves policy and going concern

As at 31 July 2018, the charity had an accumulated deficit of £114,656. The Charity has no restricted reserves. The Trustees have an agreed budget and Corporate Annual Plan for the forthcoming financial year and a five year plan to eliminate the deficit. UCA has confirmed that it will provide financial support to enable the Charity to meet its liabilities as they fall due for the foreseeable future and for a period of at least twelve months from the date the financial statements are signed. Consequently the Trustees believe it is appropriate to prepare the accounts on a going concern basis.

Future Plans

The charity remains committed to widening access and improving the quality of its course provision and will:

- Establish a coherent marketing plan based on the marketing brief linked to social impact and widening access.
- Establish an Academic Strategy including a student-led approach, refreshed curriculum, sustainable assessment and new programmes, increased offers and awards.
- Establish a digital transformation strategy that provides a new student experience, more peer learning support, increased opportunity for community and collaboration, online portfolios and enhanced practice around feedback and assessment.
- Improved financial, HR and operating processes, with appropriate auditing and control.
- Improved market research and business intelligence, including the implementation of "project 2018" for knowledge exchange.

Structure, governance and management

OCA is a charitable company limited by guarantee and with no share capital. It is governed by its Articles of Association passed on 1 November 2016.

The directors of the company are its trustees as defined by the Charities Act and throughout this report are referred to as the trustees. The trustees manage the business of the company and its property and funds.

The trustees named in these accounts have served as trustees during the year for the specified terms.

The University for the Creative Arts is the member of the company. The Articles of Association provide that each member undertakes to contribute to the assets of the company in the event of the company being wound up to a limit not exceeding £1 (one pound).

The Board of trustees, which is made up of 8 individuals, agrees the broad strategy and areas of activity of the company in accordance with the Articles of Association and the charitable objects of the company.

On a day to day basis the Chief Executive manages the activities of the charity. To facilitate effective operations, the Chief Executive has delegated authority for operational matters including finance, employment and academic affairs.

Policies and procedures adopted for the induction and training of trustees

The company recognises that it has a responsibility to provide guidance and assist new trustees in fulfilling their duties and responsibilities. This is done in accordance with Charity Commission guidance. New trustees are given appropriate Charity Commission publications and training seminars.

Risk management

The trustees actively assess the major risks to which the charity is exposed through regular meetings and the maintenance of a risk register. Key risks, such as financial, quality and operational risks are managed through agreed policies.

Statement of trustees' responsibilities

The charity trustees (who are also the directors of the Open College of the Arts for the purposes of company law) are responsible for preparing a trustees' annual report and 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 charitable company and of the incoming resources and application of resources) including the income and expenditure, of the charitable company for that period.

In preparing the 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;
- state whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

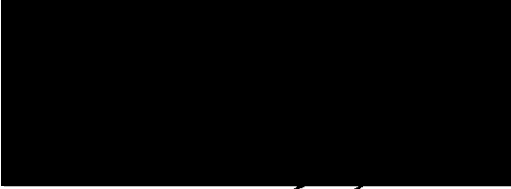
In so far as the trustees are aware at the time of approving this report:

- There is no relevant information (being information needed by the auditor in connection with preparing their report) of which the charity's auditor is unaware, and

- Each of the trustees, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, has taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approval

This report was approved by the Trustees and signed on their behalf by:



Alan Cooke
Chairman of the Board of Trustees
27th November 2018

Board of Trustees

Catherine Baxandall	Appointed 14 November 2006
Professor Roni Brown	Appointed 01 November 2016
Professor Alan Cooke	Appointed 01 November 2016
Professor Patricia Cullen	Appointed 31 May 2011
Marie-Claire Isaaman	Appointed 12 February 2018
Harry Rich	Appointed 12 February 2018
Carlos Manuel Cortes Pereira Sa	Appointed 01 November 2016
Caroline Woolfe	Appointed 12 February 2018
John Oliver	Appointed 31 October 2017

Company Secretary

Marion Wilks	Appointed 1 November 2016
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Principal & Chief Executive

Gareth Dent	To 29 September 2017
Will Woods	From 29 September 2017

Bankers

Barclays Bank plc, 10 Market Street, Bradford, BD1 1EG
CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ

External Auditors

KPMG LLP, 15 Canada Square, Canary Wharf, London, E14 5GL

Solicitors

Pinsent Masons, 1 Park Row, Leeds, LS1 5AB
Eversheds LLP, 1 Callaghan Square, Cardiff, CF10 5BT

Independent auditor's report to the Board of Trustees of Open College of the Arts

Opinion

We have audited the financial statements of Open College of the Arts, ("the charitable company"), for the year ended 31st July 2018 which comprise the statement of comprehensive income and expenditure, financial position, cash flow, changes in reserves and related notes, including the statement of principal accounting policies.

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 2018 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 UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The Trustees are responsible for the other information, which comprises the Strategic Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Strategic Report which constitutes the Trustees' report for the financial year, is consistent with the financial statements; and
- our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 5, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Andrew Sayers (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
29 November 2018

Statement of Comprehensive Income and Expenditure

For the year ended 31 July 2018

	Note	2018 £	2017 £
Income			
Tuition fees and education contracts	1	1,572,599	1,502,685
HEFCE/OfS grants	12	192,084	-
Other operating income	2	16,712	14,837
TOTAL INCOME		<u>1,781,395</u>	<u>1,517,522</u>
Expenditure			
Staff costs	3	820,426	484,025
Other operating expenses	5	925,660	930,963
Depreciation		11,841	15,858
TOTAL EXPENDITURE	4	<u>1,757,927</u>	<u>1,430,846</u>
Surplus for the year		<u>23,468</u>	<u>86,676</u>
Total comprehensive income for the year		<u>23,468</u>	<u>86,676</u>

All funds are unrestricted funds

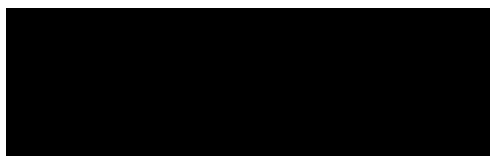
The income and expenditure of the Company relates wholly to continuing operations.
The notes on pages 16 to 21 form an integral part of these Financial Statements.

Statement of Financial Position

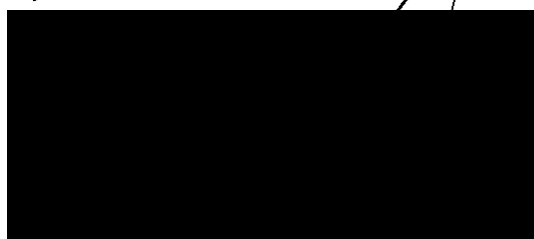
As at 31 July 2018

	Note	2018 £	2017 £
Non-current assets			
Fixed assets	6	19,052	9,220
Current assets			
Stock		4,593	4,805
Trade and other receivables	7	343,277	311,961
Cash and cash equivalents		295,612	339,938
		<u>643,482</u>	<u>656,704</u>
Creditors: amounts falling due within one year	8	(777,190)	(804,048)
Net current liabilities		<u>(133,708)</u>	<u>(147,344)</u>
Total net liabilities		<u>(114,656)</u>	<u>(138,124)</u>
Unrestricted reserves			
Designated fund – Learner Support Scheme		-	4,832
Income and expenditure reserve - unrestricted		(114,656)	(142,956)
Total (deficit)		<u>(114,656)</u>	<u>(138,124)</u>

The financial statements were approved by the Board of Trustees on 31 October 2018 and signed on its behalf on 27th November 2018 by:



Will Woods
Principal & Chief Executive



Alan Cooke
Chairman of the Board of Trustees

The notes on pages 16 to 21 form an integral part of these Financial Statements.

Statement of Cash Flow
For the year ended 31 July 2018

	Note	2018 £	2017 £
Net cash flow from operating activities	10	<u>(22,653)</u>	<u>155,007</u>
Cash flows from investing activities			
Purchase of fixed assets		(21,673)	(3,686)
Net cash outflow from investing activities		<u>(21,673)</u>	<u>(3,686)</u>
(Decrease)/increase in cash and cash equivalents		<u>(44,326)</u>	<u>151,321</u>
Cash and cash equivalents at the beginning of the year		339,938	188,617
Cash and cash equivalents at the end of the year		<u>295,612</u>	<u>339,938</u>

The notes on pages 16 to 21 form an integral part of these Financial Statements.

Statement of Changes in Reserves

For the year ended 31 July 2018

	Income and expenditure reserve		Total
	Designated fund – Learner Support Scheme	Unrestricted	
	£	£	£
Balance at 1 August 2016 as restated	4,385	(229,185)	(224,800)
(deficit)/surplus from the income and expenditure statement	(9,553)	96,229	86,676
Transfers	10,000	(10,000)	-
Balance at 31 July 2017	4,832	(142,956)	(138,124)
(deficit)/surplus from the income and expenditure statement	(4,832)	28,300	23,468
Balance at 31 July 2018 (deficit)	-	(114,656)	(114,656)

The notes on pages 16 to 21 form an integral part of these Financial Statements.

Statement of Principal Accounting Policies

1 Basis of Preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 (Charities SORP).

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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

2 Basis of Accounting

The financial statements are prepared under the historical cost convention.

3 Going Concern

The activities of the Charity, together with the factors and risks likely to affect its future development and performance, are set out in the Strategic Review. The financial position of the Charity, its cashflow, liquidity and borrowings are described in the Financial Statements and accompanying Notes.

Notwithstanding net current liabilities of £133,708 as at 31 July 2018 and operating cash outflows for the year of £22,653 the financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons. The Trustees have an agreed budget and Corporate Annual Plan (including cash flow consideration) for the forthcoming financial year and a five year plan to eliminate the deficit and The financial statements are prepared on a going concern basis as UCA has confirmed that it will provide financial support to enable the Charity to meet its liabilities as they fall due for the foreseeable future and for a period of at least twelve months from the date the financial statements are signed. As with any company placing reliance on other group entities there is no guarantee that the support will continue, although the trustees have no reason to believe that it will not do so. Consequently, the trustees are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

On 1 November 2016 the Charity was acquired by the University for the Creative Arts ("UCA"), which became its parent company and is an exempt charity under the terms of the Charities Act 2011. The ability of the Charity to continue to meet its liabilities as they fall due is dependent upon the on-going support of UCA.

4 Income Recognition

Income from the sale of goods or services is credited to the Statement of Comprehensive Income when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated net of discounts and credited to the Statement of Comprehensive Income over the period in which the students are studying. This is achieved by using a time apportionment basis over the average expected period for completion of courses and taking into account the average course completion rate for all students. Any fee income carried forward to a future financial year is included in creditors as deferred income.

Where the amount of the tuition fee is reduced, by a refund or discount, income receivable is shown net of the discount.

Grant funding from HEFCE/OfS is recognised as income when the Charity is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Statement of Principal Accounting Policies (Continued)

5 Accounting for Retirement Benefits

The Charity has a defined contribution pension scheme for employees. The amounts charged are as payable by the Charity during the period.

6 Employment Benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the Charity. Any unused benefits are accrued and measured as the additional amount the Charity expects to pay as a result of the unused entitlement.

7 Leases

Finance leases

The Charity does not have any finance leases identified in accordance with FRS 102.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

8 Stocks

Stocks are valued at the lower of cost or net realisable value.

9 Tangible Fixed Assets

Equipment and plant, including computers and software, are capitalised at cost and depreciated over its expected useful life of 5 years for fixtures, fittings and equipment and 3 years for computer equipment on a straight line basis.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

10 Cash and Cash Equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if in practice they are available within 24 hours without penalty.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with significant risk of change in value.

11 Reserves

Reserves are classified as restricted or unrestricted. The Charity currently has no restricted reserves.

Notes to the accounts

1. Income

	2018 £	2017 £
UK & EU Higher Education	1,297,894	1,226,178
Non EU Higher Education	164,684	142,578
UK & EU Further Education	94,584	116,176
Non EU Further Education	15,437	17,753
	<u>1,572,599</u>	<u>1,502,685</u>

2. Other operating income

	2018 £	2017 £
Educational visits and Events	4,012	-
Sundry	12,700	14,837
	<u>16,712</u>	<u>14,837</u>

3. Staff costs

	2018 £	2017 £
Staff Costs:		
Wages and salaries	684,155	412,152
Social security costs	59,581	38,884
Apprenticeship Levy	2,923	-
Other pension costs	29,427	20,739
Contract termination payment	44,340	12,250
	<u>820,426</u>	<u>484,025</u>

Pension contributions are paid into the Charity's defined contribution group personal pension plan. The Charity set up a defined contribution pension scheme for employees with effect from 1 April 2016.

Average staff numbers:

	Number	Number
Number of employees	28	17
Full time equivalent	18	14

There were no higher paid staff in the year (2017: nil).

Notes to the accounts (Continued)

3. Staff costs (continued)

Emoluments of the Principal & Chief Executive	2018	2017
	£	£
G Dent to 29 September 2017		
Salary	13,619	92,209
Pension contributions	1,224	4,086
Contract termination payment	42,899	-
W Woods from 29 September 2017		
Salary	74,259	-
Pension	2,833	-
	134,824	96,295

The Principal's pension contributions are on the standard terms of the Charity's defined contribution group personal pension plan. No other members of staff received employee benefits greater than £60,000.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Charity. The Principal & Chief Executive, Director of Learning & Teaching and Director of Curriculum & Quality all have this responsibility.

	2018	2017
	£	£
Key management personnel	135,145	96,295

Trustees

No Trustee has received/waived remuneration from the Charity during the year (2017: – none).

The total expenses paid to or on behalf of 4 Trustees for travelling and subsistence was £776 (2017: £636 to 2 Trustees). No other expenses were paid (2017: nil).

Notes to the accounts (Continued)

4. Analysis of expenditure by activity

	Staff costs		Other operating Costs		Total	
	2018	2017 restated	2018	2017 restated	2018	2017 restated
	£	£	£	£	£	£
Academic departments	234,641	24,065	602,900	637,876	837,541	661,941
Academic services	351,631	299,203	112,928	147,903	464,559	447,106
Administration and central services	234,154	160,757	149,334	92,213	383,488	252,970
Premises	-	-	60,498	52,971	60,498	52,971
	820,426	484,025	925,660	930,963	1,746,086	1,414,988
Depreciation	-	-	11,841	15,858	11,841	15,858
	820,426	484,025	937,501	946,821	1,757,927	1,430,846

The Charity has carried out a re-structure in 2017/18, the analysis of spend for the year ended 31 July 2017 has been restated to provide a comparison.

5. Other Operating Expenses

	2018 £	2017 £
Equipment, furniture and computing costs	12,219	11,336
Audit fees (including VAT):		
Remuneration for external audit services	10,160	14,303
Other expenses	903,281	905,324
Total	925,660	930,963

Notes to the accounts (Continued)

6. Tangible Assets

	Fixtures & Fittings £	Computer Equipment £	Total £
Cost			
At 1 August 2017	8,641	9,978	18,619
Additions at cost	3,276	18,397	21,673
Write offs	-	-	-
Disposals	-	-	-
At 31 July 2018	11,917	28,375	40,292
Depreciation			
At 1 August 2017	3,595	5,804	9,399
Charge for year	2,383	9,458	11,841
Write offs	-	-	-
Disposals	-	-	-
At 31 July 2018	5,978	15,262	21,240
Net book value at 31 July 2018	5,939	13,113	19,052
Net book value at 31 July 2017	5,046	4,174	9,220

7. Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year:		
Trade receivables	322,396	300,360
Prepayments and accrued income	20,881	11,601
	343,277	311,961

8. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	103,612	283,823
Other Tax Payable & Social Security	21,626	9,380
Accruals	154,797	103,155
Other creditors	-	6,893
Deferred income	497,155	400,797
	777,190	804,048

Notes to the accounts (Continued)

9. Lease Obligations

At 31 July 2018, the Charity had total future minimum lease payments in respect of property under non-cancellable operating leases payable as follows:

	2018 £	2017 £
Within one year	23,050	15,000
Between two and five years	23,800	6,250
More than five years	-	-
	<u>46,850</u>	<u>21,250</u>

10. Reconciliation of surplus to net cash flow from operating activities

	2018 £	2017 £
Surplus for the year	23,468	86,676
Adjustments for non-cash items		
Depreciation	11,841	15,858
Increase in stocks	212	2,717
(Increase) in debtors	(31,316)	(170,385)
(Decrease)/increase in creditors	(26,858)	220,140
	<u>(46,121)</u>	<u>68,331</u>
Total adjustments	(46,121)	68,331
Net cash flow from operating activities	(22,653)	155,007

11. Analysis of changes in net debt	At 31 July 2017 £	Net cash flows £	At 31 July 2018 £
Cash at bank and in hand	<u>339,938</u>	<u>(44,326)</u>	<u>295,612</u>

Notes to the accounts (Continued)

12. Related Party Transactions

UCA, OCA's parent company provide marketing and administrative support to OCA which is subsequently recharged. UCA receives grant funding from the government on behalf of OCA.

	2018	2017
	£	£
HEFCE/OfS grant income	192,084	-
Income Received via UCA	192,084	-
Accreditation Fees	-	19,500
Administrative Support	66,282	-
Marketing	52,750	37,271
Expenditure Charged by UCA	119,032	56,771
Amount Due to UCA as at 31 July	37,080	167,849

The Charity has made enquires with the Trustees and senior staff and there are no Related Party Transactions to report.