

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

## **Financial Statements**

**for the year ended 31 July 2021**

**Charity No. 327446**  
**Company No. 02125674**

# Open College of the Arts

## Financial Statements for the year ended 31 July 2021

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# Open College of the Arts

## Strategic Report

The Board of Trustees, who are also the Directors present the report and accounts on behalf of the Trustees for year ended 31 July 2021 which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act 2006 purposes.

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102 section 1A). They conform to guidance published by the Office for Students.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The Trustees confirm that:

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

## Purposes and activities for public benefit

The College is a public benefit entity and our students are the College's primary beneficiaries.

The College 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 College's website ([www.oca.ac.uk](http://www.oca.ac.uk)) and the work the College does in delivering its objectives, is self-evident of its compliance. The mechanisms for the governance and management of Open College of the Arts (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. We do not believe that the College carries out any activities that could harm its beneficiaries and we are not aware of views amongst others that such harm might arise. No serious incidents of material significance were reported in 2020/21.

OCA is a subsidiary of the University for the Creative Arts (UCA).

The objective of the College 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 College's mission is aligned to the UCA mission:

OCA Mission - We want to be:

- At the forefront of student-led creative arts education through open, enhanced, & supported distance learning, for an evolving society.

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

## Objectives and Strategy

We will:

Advance OCA's charitable purpose and mission through being:

- Open - considering global contexts, increase student mobility, improve progression opportunities and support personal learning through a distinct personal learning programme.

- Engaging – creating engaging student-centred online study environments through learning design and media production.
- Social – Building learning communities, partnership opportunities and advocate networks, including establishing a network of OCA champions and brand ambassadors.
- Ambitious – Establish UCA Online to pioneer digital business practices across UCA, establish and enterprise hub and support apprenticeship, internship and placement opportunities.
- Sustainable – Diversify income and increase postgraduate and non-accredited offers. Develop the enterprise hub to establish pipelines for funding.
- Evolving – Establish an international strategy for distance and blended learning, embed assessment for learning to provide flexible and sustainable assessment.
- Professional - Agile and responsive to change, use evidence-based approaches to decision making, increase opportunity for knowledge transfer and provide a motivating environment to work and study.

Our key priorities are to:

- Apply digital and pedagogical innovation to benefit learners and the University
- Be in a robust and sustainable position financially through international development
- Create a motivating place to work and study
- Enhance our educational offer, through:
  - Distinctiveness of our curriculum
  - Improving policy in part time and distance education
  - Open and accessible routes into creative arts education
  - Internationalisation
  - Flexible and interdisciplinary learning
  - Inclusive approaches that closes UCA's equality gaps and widens participation
  - A practice-based approach with embedded employability skills.

These priorities will be achieved by increasing student enrolments following targeted marketing activities and continuing the progress made in the improvement in the student offering described below.

### **Achievements and performance**

OCA has been extremely resilient in planning and adapting quickly to the Coronavirus (COVID-19) situation, in particular managing the uncertainty and associated risks around the global pandemic. Student enrolment numbers were 21% above target across the 2020/21 academic year and 30% higher than the 2019/20 academic year. This increase has ensured OCA has a strong future financial base, clearing the deficit and building reserves.

OCA has met all the strategic objectives against the 2018-2021 Academic Strategy and complimentary Digital Transformation Strategy which set the agenda for the organisation. In particular OCA achieved a fully digital assessment process by July 2020 (fifteen months ahead of schedule) and a virtual learning environment (VLE) supported 'assessment for learning' process in place by November 2020 (a year ahead of schedule), the full launch of seasonal short course programmes in March 2021, the establishment of the Garden Design programme from September 2020, the establishment of a new 'value-led' student association in January 2021 and a very successful Periodic Review of all remaining OCA programmes in May 2021, with 6 commendation and only 2 conditions.

The College achieved a huge improvement in the 2020 National Student Survey, with 88.31% overall student satisfaction against a sector average of 75%, this success (a 10% improvement on 2019) was achieved as a consequence of an NSS Action Plan for improvement developed jointly between OCA and UCA and implemented through the Programme Leaders and tutor teams at OCA.

According to financial and sector forecasts the post pandemic period is expected to remain uncertain until at least 2023. OCA continues to manage the risks around both the recruitment and retention of students. In particular there continues to be a reduction in the traditional 50-70 age group, and an increase in younger learners enrolling with OCA and a consequent increase in their study intensity. OCA's summer assessment cycle in July 2021 was 27% larger than 2019, which was 23% larger than 2018, so the College is looking to build capacity to scale operations. OCA's business plan and budget sets out a strategy to build reserves, scale and diversify portfolio through short courses and other non-accredited offers to mitigate any loss in grant funding.

## Key performance indicators

Course enrolments and course unit completions are key indicators of the health of the organisation and act as useful performance measures. 2020/21 was an exceptional year with a sustained increase in enrolments as the coronavirus pandemic continued to drive people to seek digital and distance learning, enrolments (including short courses) increased 30% on prior year. The completion rate increased from prior year, as did the confirmed completion rate, this rate is derived from students who actively engaged with their course unit and subsequently completed.

KPI	2020/21	2019/20
Total Enrolments (excluding short courses)	1,817	1,425
New Enrolments (First course unit excluding short courses)	1,004	780
Completion Rate (foundations & undergraduate only)	51.8%	47.8%
Confirmed Completion Rate (foundations & undergraduate only)	62.6%	60.7%

## Future Indicators

The indicators for 2020/21 allow OCA to judge the health of the organisation; as explained earlier the indicators such as new students, course unit enrolments and unit completions are all measures the College uses to track performance and demonstrate year on year improvement. The academic indicators on retention and widening participation enable the College to ensure that it is improving the outcomes for the widest demographic, including those who are most disadvantaged. For example, this year OCA will be monitoring areas such as BAME attainment, equality and student mental health and wellbeing and putting in place an action plan to address shortfall in areas of student satisfaction as represented in the National Student Survey results for 2021. The social impact measure is still in development however when it is refined it will allow the College to see how its work is making a difference to society and the impact that is having on the wider community. The KPI's are ambitious but realistic given the current economic climate.

## Commercial indicators for 2021/22

- Financial - to achieve an annual surplus of £135k
- Enrolments - 1,760 across all provisions
- New Enrolments – 998 across all provisions
- Conversion - minimum conversion rate of >5% for general campaigns and website enrolment through organic search routes and a conversion rate of >10% for targeted campaigns for specific offers and subjects in specialist media channels.

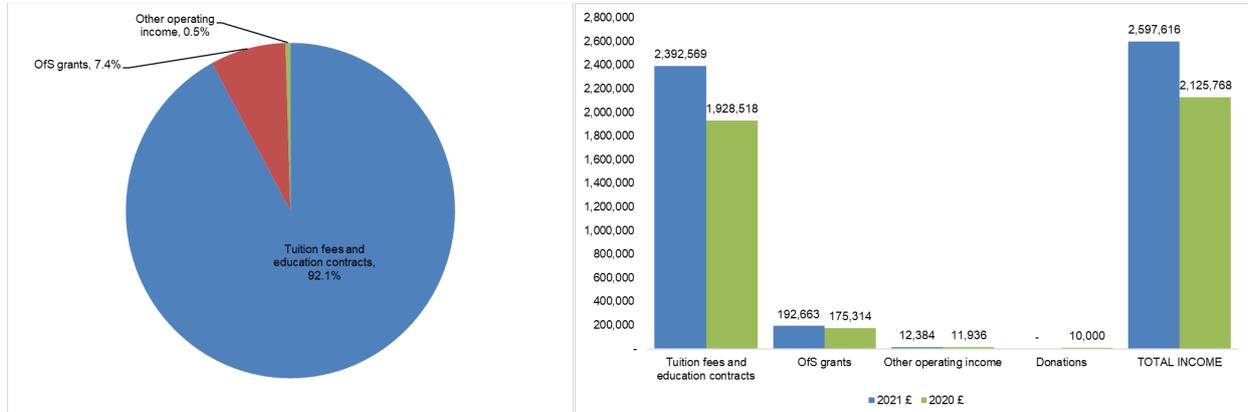
## Academic indicators for 2021/22

- Retention Rate - first unit completion rate of 35%; total completion rate of 51%; 30% for foundation units, 50% for HE4 units, 70% HE5 units and 84% for HE6 units.
- Awards - a reduction in the percentage of unclassified degrees to fewer than 10%.
- Widening Participation - maintaining the level of disabled students at 25% (minimum), increase students from BAME background by 1.5% and to improve opportunities for learners in secure environments and from disadvantaged backgrounds (POLAR 1-3 quintiles) through the learner support fund for 2021/22, ensuring that the numbers of those students are maintained.

## Financial review

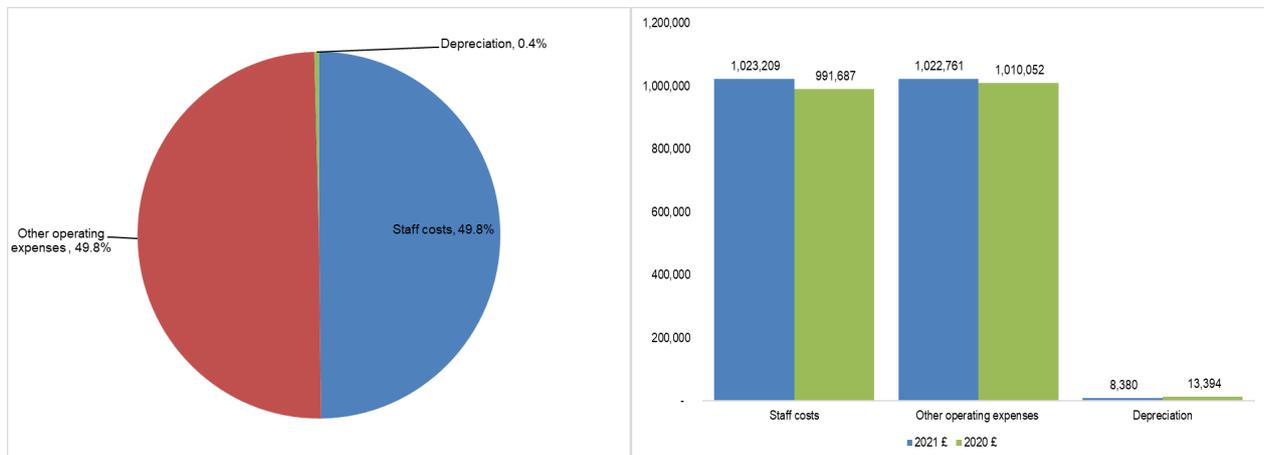
The College achieved a surplus of £539,286 for the year ended 31 July 2021.

### Income

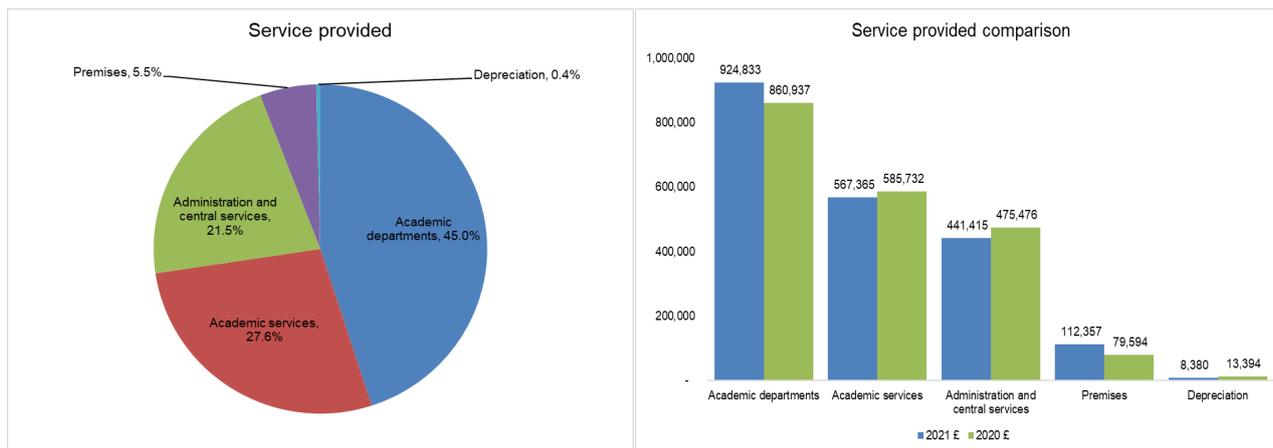


The main source of the College's income is tuition fees; students have the flexibility to complete their degree course over a number of years and are invoiced for each unit as they commence; an element of income is deferred for units which have not been completed, the method of deferring this income is described within the accounting policy note for Income Recognition. Tuition fee income has increased by 24% year on year. The College receives grant funding via UCA from the Office for Students (OfS) which is used for widening participation activities. The amount of the grant in future will depend on the College's student numbers and government policy in relation to the funding of higher education.

### Expenditure



In the year, the College created new posts and added capacity in the technology enhanced learning team to support demand, periodic review and cover maternity period. Increased capacity in the student services team to provide more learner support. Temporary staffing provision was also made among the academic team to support periodic review and cover a long-term sickness. Staff costs amount to 49.8% of the College's expenditure; pay to tutors is variable and is dependent upon the number and type of enrolled courses. Operating costs have been closely monitored throughout the year with savings made wherever possible, significant savings have been made from the digitisation of course materials, processes, meetings etc. The change in business premises brought unexpected costs including a provision for dilapidations, these have however been mitigated by the savings made elsewhere.



The College has made use of the OfS grant funding and student enhancement scheme funds to enable it to provide extra learning and support, student opportunities, hardship support, course and tutor development in year.

### Financial Strategy

The College's Financial Strategy is to maintain its reserves and aim for a resilient financial position that supports the college's core activities, and which assists its strategic development.

### Investment powers and policy

The Trustees have the power to invest (to the extent that there are surpluses available for this purpose). During 2020/21 there were no such investment surpluses.

### Going concern

The College achieved a surplus in the year of £539,286 (2020: £110,635) and the Trustees have an agreed budget and Corporate Annual Plan for the forthcoming financial year to maintain the College's accumulated surplus position. As at 31 July 2021, the College reported an accumulated surplus of £498,085 the College's largest creditor being a deferred income balance of £654,247 (2020: £631,338). The College is cash positive and is forecast to remain so. Stress-testing has been undertaken to calculate the effect on cash resources if income in the forecast period to 30 November 2022 is significantly reduced, this testing has shown that the college has sufficient cash headroom. Having reviewed the College's recent performance and the results of the stress testing, Trustee's assessment is there are adequate resources for the college to continue in operational existence for the foreseeable future, for this reason the financial statements have been prepared on a going concern basis.

The College has restricted reserves of £7,165.

### Future Plans

OCA is in the process of establishing the next three year Academic Plan to take the College's 10 year Strategic Plan forward to the next level using an evidence informed and methodical approach to set out the work that will be undertaken; this includes:

- Expand PG opportunities in creative education across a range of subject areas based on the outcomes of current market research. Internal market research has identified six areas for consideration.
- Establish OCA as leaders for online education for the creative sector.
- Through non-accredited, foundation and short course offers, build opportunities for adult reskilling and upskilling in creative industries, reverse the decline in part-time adult education through apprenticeships and vocationally focussed offers, created and managed in partnership with creative businesses (preparing OCA to meet student demand for the Lifelong Learning Entitlement which will be introduced in 2025).
- Have a diverse and global curriculum that is culturally relevant and incorporates social justice pedagogy.

- Critically review, reduce and reshape OCA undergraduate curriculum so that it remains attractive and relevant, again based on the outcomes of market research.
- Expand the OCA's social outreach through a range of accessible open personal learning experiences for learners of all ages and abilities.
- Bridge the gap with schools and local communities and organisations through a "localisation agenda" to offer a range of outreach activities and events that provide rich personal learning experiences in the creative industries.
- Embed learning, teaching, and assessment models in line with Periodic Review developments, and the onboarding of tutors as members of staff. This provides opportunities to develop richer forms of content, activities, and support, and a diversified curriculum to help widen participation in higher level creative education, ensuring equality regardless of financial status, age, disability, race, religion or belief, sex or sexual orientation.
- Offer technology enhanced creative education through establishing digital studios, digital portfolios and forms of digital assessment that enhance the student learning experience.
- Establish a truly co-constructed learning design process to ensure that the curriculum remains fresh and attractive to new learners.

The University for the Creative Arts (UCA) and the Open College of Arts (OCA) are currently in discussions about the future of their partnership and are having discussions with other potential partners. The aim of these discussions is to ensure both organisations evolve to achieve their strategic aims, and best meet the needs of their current and future students. These talks are at a stage where it is not yet possible to provide details.

### **Managing Risks and Uncertainty**

Unlike other education providers, students of the College can commence and complete courses to their own timeframe, subject to some maximum limits, rather than within a traditional academic year. Also, the application to enrolment process is much faster, this means that the College has less time to predict and react to changing enrolment numbers. The College manages this risk by monitoring enrolments on a daily basis and preparing statistics on student completion rates and reacting to changes by increasing marketing activity and reducing costs if necessary. The College invests in marketing activities by advertising courses to prospective students who may not be aware of the potential to study in the non-traditional manner. The ongoing Covid-19 pandemic is not anticipated to have a detrimental impact as more students seek distance learning.

As a long-distance learning College, the quality of the on-line provision is an important factor in the success of students and the College has invested and continues to invest, in the student offering to encourage both new enrolments and engagement and re-enrolment from current students. Additionally, the security over the on-line resources and data held by the College is paramount and the College is supported by its parent UCA who host services in addition to employing its own IT and security resource.

### **Approval**

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

**Catherine Harper**  
**Chair of the Board of Trustees**  
**3<sup>rd</sup> November 2021**

**Board of Trustees**

Catherine Baxandall  
Professor Alan Cooke  
Catherine Harper  
Marie-Claire Isaaman  
Alan Newton

Resigned 28 October 2020  
Appointed 14 October 2020

John Oliver

Harry Rich

Carlos Manuel Cortes Pereira Sa

Resigned 16 November 2020

**Company Secretary**

Sarah Martin

**Principal & Chief Executive**

Will Woods

**Bankers**

Barclays Bank plc, 10 Market Street, Bradford, BD1 1EG

**Auditors**

Internal Auditors: BDO LLP, 55 Baker Street, London, W1U 7EU

External Auditors: Grant Thornton UK LLP, 2nd Floor, St John's House, Haslett Avenue West, Crawley, RH10 1HS

**Solicitors**

Eversheds LLP, 1 Callaghan Square, Cardiff, CF10 5BT

**Country of Incorporation**

England

**Registered Office**

The Michael Young Arts Centre  
Room 201  
DMC 02  
County Way  
Barnsley  
Yorkshire  
England  
S70 2AG

## **Responsibilities and Corporate Governance Statement**

### Responsibilities of the Board of Trustees

In accordance with the College's Articles of Association, the Trustees who are also the Directors of the Open College of the Arts are responsible for the administration and management of the affairs of the College.

These responsibilities are set out in OCA's governing documents:

- Memorandum and Articles of Association;
- Board of Trustees Terms of Reference;
- The Role of Trustee at the Open College of the Arts;
- Code of Practice for Protecting Academic Freedom.

OCA's objects, powers and framework of governance are set out in its Articles of Association. Its Board of Trustees comprises nine members, all of whom are non-executive.

The Trustees are required to present audited financial statements for each financial year and is responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any time, the financial position of the College and enable it to ensure that the financial statements are prepared in accordance with the Companies Act 2006, FRS102 section 1A and the Statement of Recommended Practice (SORP 2019) "Accounting for Further and Higher Education". In addition, within the Office for Students (OfS) Terms and Conditions of Funding for Higher Education Institutions, the College is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit and cash flows for that year. The results of the College are consolidated within the UCA group financial statements.

When preparing the financial statements, the Trustees ensure that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the College will continue in operation. The Trustees are satisfied that the College has adequate resources to continue in operation for the foreseeable future: for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

The Trustees have taken reasonable steps to:

- ensure that funds from the OfS are used only for the purposes for which they have been given and in accordance with the OfS' Terms and Conditions of Funding for Higher Education Institutions and any other conditions which these funding bodies may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the College and the prevention and detection of fraud, bribery and other irregularities;
- secure the economical, efficient and effective management of the College's resources and expenditure.

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.

## Corporate Governance

### Principles and ethos of the College

The College endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership), and with the guidance to institutions of higher education which has been provided by the Committee of University Chairs (CUC) in its Higher Education Code of Governance, published in December 2014 and revised in June 2018. A Register of Interests of Trustees and senior managers is regularly maintained.

### Constitution and structural organisation

The Open College of the Arts (OCA) is a wholly owned subsidiary of the UCA as a result of a transfer deed entered into on 1 November 2016. OCA is a charitable company limited by guarantee; as such it is regulated by the Charity Commission for England and Wales. The nature of the relationship between UCA and OCA and the terms on which they provide services to each other are set out in a Service Level Agreement. OCA has its own management and governance arrangements.

The College's Board of Trustees comprises nine members (3 positions vacant) appointed under the Articles of Association of the College, all of whom are non-executive. Members have a variety of backgrounds and experience from outside traditional HE but share the mission and values of OCA. The Board of Trustees normally meets three times a year, attendance at 2020/21 meetings is shown in the table below:

<b>Trustee</b>	<b>Trustee Meetings Attended</b>
Catherine Baxandall	October, February & June
Professor Alan Cooke	October
Professor Catherine Harper	October, February & June
Marie-Claire Isaaman	February
Alan Newton	October, February & June
John Oliver	October & February
Harry Rich	October & February
Carlos Manuel Cortes Pereira Sa	October

Amongst its responsibilities it keeps under review the effectiveness of the risk management arrangements and provides an opinion on the adequacy of the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA), the Student Loans Company, the OfS and other bodies.

The Audit & Risk Committee of UCA oversees the College's programme of internal audit. The Audit & Risk Committee meets at least four times a year and comprises of lay members of the UCA Board of Governors and a co-opted member, none of whom serves on the Employment & Finance Committee of UCA. The College's internal and external auditors are in attendance and the members meet the auditors without the officers of the UCA present immediately before each committee meeting. The Committee and the College's Board of Trustees considers detailed reports from the auditors, which include recommendations for the improvement of the College's systems of internal control, together with management responses and implementation plans. It also receives and considers guidance from the OfS through the Audit Code of Practice as it affects the College's business and monitors adherence to the regulatory framework.

Committee considers the annual report for the Prevent Duty and the annual Modern Slavery and Human Trafficking Statement.

The Remuneration and Development Group advises the OCA Board on the remuneration of the holders of senior posts and monitors their performance. In carrying out their responsibilities, each member of the remuneration and development group acts in a way which he or she considers, in good faith, to be most likely to promote the success of the OCA for the benefit of its members as a whole. No individual may participate in deliberations in which their remuneration is being directly discussed or in decisions which directly affect their personal remuneration.

The Trustees and UCA's Board of Governors are responsible for approving OCA's strategic direction, and UCA's Employment & Finance Committee receives financial reports in respect of the College. Reports on OCA risks are received by its Board of Trustees, which provides an annual statement of assurance to the Audit & Risk Committee; in the period of report the College was encompassed by the UCA's internal audit programme.

UCA approves appointments to the OCA Board of Trustees on the recommendation of UCA Nominations Committee.

### Internal control

The Board of Trustees has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to the Trustees within the Articles of Association and the OfS' Terms and Conditions of Funding for Higher Education Institutions.

This system is based on an on-going process designed to identify the principal risks to the achievement of the College's aims and objectives; to evaluate the likelihood and impact of those risks; and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 July 2021 and up to the date of approval of the financial statements and accords with OfS guidance.

The key elements of the College's systems of risk management and internal control, which are designed to discharge the responsibilities set out above, include the following:

- oversight of risk management by the Trustees;
- annual review of the College's Risk Management Policy & Strategy by the Trustees;
- annual review of risk management effectiveness and risk appetite by the UCA Board of Governors;
- the integration of risk management into the annual planning cycle of the College covering all business, operational, financial and compliance risks. This process is informed by detailed annual income, expenditure, capital and cash flow budgets;
- the maintenance of an institutional Risk Register which is updated annually in accordance with the Strategic Plan and assessed on a quarterly basis. The Register includes an evaluation of the likelihood and impact of risks, and identifies mitigation measures;
- clear definitions of the responsibilities and delegated authority of heads of academic and administrative departments including responsibility for identifying and managing operational risks at a departmental level and escalating significant risk to the Trustees;
- regular reviews of key performance indicators and financial results involving variance reporting and updates of forecast out-turns;
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review by the Trustees.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The Board of Trustees has responsibility for reviewing the effectiveness of the systems of risk management and internal control. The following processes have been established:

- the Board of Trustees meets at regular intervals to consider the plans and strategic direction of the College;
- the Board of Trustees, through its consideration of the Risk Register at each meeting, provides oversight of the risk management process and requires regular reports from the College's management on the steps being taken to manage risks, including progress reports on key risks, systems for identifying significant risks facing the College, identifying actions required to minimise risk and regularly evaluating risks, using key risk and performance indicators;

- a professional Internal Audit team, whose annual programme is risk-based and approved by the UCA Audit & Risk Committee, reports regularly to Board of Trustees on specific areas of internal control relating to the College, which include an independent opinion on the adequacy of the effectiveness of the College's systems of internal control together with recommendations for improvement;
- management makes regular reports and presentations to the Board of Trustees on internal control and risk mitigation actions.

The Trustees' review of the effectiveness of the system of internal control was informed during the year by the Internal Auditors, BDO LLP, who operate to standards defined in the OfS Audit Code of Practice. The Internal Auditors provide reports to the Board of Trustees following their audits, which provides an independent opinion on the adequacy and effectiveness of the College's system of internal control with recommendations for improvement. The Board's review is also informed by the work of the senior managers within the College, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors, Grant Thornton UK LLP, in their Management Letter and other reports. In the opinion of Trustees there were no significant internal control weaknesses or failures arising during the year ended 31 July 2021 and up to the date of approval of the financial statements.

Signed \_\_\_\_\_

**Will Woods**  
**Principal & Chief Executive**

3rd November 2021

Signed \_\_\_\_\_

**Catherine Harper**  
**Chair of the Board of Trustees**

3rd November 2021

## **Independent auditor's report to the members 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 31 July 2021, which comprise statement of comprehensive income, the statement of changes in reserves, the statement of financial position, the statement of cash flow, the statement of principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in October 2018; 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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.

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.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the

financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the strategic report and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

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

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

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

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

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement, the trustees 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 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 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.

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

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and industry in which it operates through our general commercial and sector experience, discussions with management, inspection of legal correspondence and reviewing Care Quality Commission reporting. We determined that the following laws and regulations were most significant:
  - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'
  - Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019
  - Companies Act 2006
  - Charities Act 2011
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the revaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
  - Journal entries that increased income
- Our audit procedures involved:
  - Evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - Journal entry testing, with a focus on material journals.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were design to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - Knowledge of the industry in which the client operates
  - Understanding of the legal and regulatory requirements specific to the entity
- Team communications in respect of potential non-compliance with laws and regulations and fraud included the potential fraud in income recognition through the inflation of income
- In assessing the potential risk of material misstatement, we obtained an understanding of:

- The charitable company's operations, including the nature of its income sources and services to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
- The charitable company's control environment, including:
  - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations;
  - The adequacy of procedures for authorisation of transactions;
  - Made inquiries to internal audit and reviewed any relevant internal audit reports relevant to the financial year; and
  - Procedures to verify that possible breaches of law and regulations are appropriately resolved.

### **Use of our report**

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

Adam Terry BSc ACA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Crawley  
3rd November 2021

## Statement of Comprehensive Income

For the year ended 31 July 2021

	Note	2021 £	2020 £
<b>Income</b>			
Tuition fees and education contracts	1	2,392,569	1,928,518
OfS grants		192,663	175,314
Other operating income	2	12,384	11,936
Donations		-	10,000
<b>TOTAL INCOME</b>		<b>2,597,616</b>	<b>2,125,768</b>
<b>Expenditure</b>			
Staff costs	3	1,023,209	991,687
Other operating expenses	4	1,022,761	1,010,052
Depreciation	7	8,380	13,394
<b>TOTAL EXPENDITURE</b>	5	<b>2,054,350</b>	<b>2,015,133</b>
Loss on disposal of fixed assets		(3,980)	-
<b>Surplus for the year</b>		<b>539,286</b>	<b>110,635</b>
<b>Total comprehensive income for the year</b>		<b>539,286</b>	<b>110,635</b>
Represented by:			
Restricted comprehensive (deficit)/income for the year	6	(1,065)	8,230
Unrestricted comprehensive income for the year		540,351	102,405
		<b>539,286</b>	<b>110,635</b>

The income and expenditure of the Company relates wholly to continuing operations.  
The notes on pages 21 to 28 form an integral part of these Financial Statements.

## Statement of Changes in Reserves

For the year ended 31 July 2021

	Note	Income and expenditure reserve		Total
		Restricted	Unrestricted	
		£	£	£
<b>Balance at 1 August 2019 as previously stated (deficit)</b>		-	(151,836)	(151,836)
Surplus from the income and expenditure statement		8,230	102,405	110,635
Transfers		-	-	-
<b>Balance at 31 July 2020 (deficit)</b>		<b>8,230</b>	<b>(49,431)</b>	<b>(41,201)</b>
(Deficit)/surplus from the income and expenditure statement		(1,065)	540,351	539,286
<b>Balance at 31 July 2021</b>	6	<b>7,165</b>	<b>490,920</b>	<b>498,085</b>

The notes on pages 21 to 28 form an integral part of these Financial Statements.

# Statement of Financial Position

As at 31 July 2021

	Note	2021 £	2020 £
<b>Non-current assets</b>			
Fixed assets	7	11,230	14,417
<b>Current assets</b>			
Stock		1,746	5,079
Trade and other receivables	8	469,909	417,876
Cash and cash equivalents	12	994,496	375,570
		<u>1,466,151</u>	<u>798,525</u>
<b>Creditors: amounts falling due within one year</b>	9	(939,296)	(854,143)
<b>Net current assets/(liabilities)</b>		<u>526,855</u>	<u>(55,618)</u>
<b>Provisions: Other provisions</b>	11	(40,000)	-
<b>Total net assets/(liabilities)</b>		<u><u>498,085</u></u>	<u><u>(41,201)</u></u>
<b>Restricted reserves</b>			
Income and expenditure reserve - restricted	6	7,165	8,230
<b>Unrestricted reserves</b>			
Income and expenditure reserve - unrestricted		490,920	(49,431)
<b>Total surplus/(deficit)</b>		<u><u>498,085</u></u>	<u><u>(41,201)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved by the Board of Trustees and signed on its behalf on 3rd November 2021 by:

**Will Woods**  
Principal & Chief Executive

**Catherine Harper**  
Chair of the Board of Trustees

The notes on pages 21 to 28 form an integral part of these Financial Statements.

## Statement of Cash Flow

For the year ended 31 July 2021

	Note	2021 £	2020 £
<b>Cash Flow from operating activities</b>			
Surplus for the year		539,286	110,635
<b>Adjustments for non-cash items</b>			
Depreciation		8,380	13,394
Loss on sale of fixed assets		3,980	-
Decrease in stock		3,333	527
(Increase)/decrease in debtors		(52,033)	26,419
Increase/(decrease) in creditors		85,153	(80,472)
Increase in provisions		40,000	-
<b>Net cash flow from operating activities</b>		<b>628,098</b>	<b>70,503</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		(9,714)	(7,735)
Proceeds from sales of fixed assets		541	-
<b>Increase in cash and cash equivalents</b>		<b>618,926</b>	<b>62,768</b>
Cash and cash equivalents at the beginning of the year	12	375,570	312,802
Cash and cash equivalents at the end of the year	12	994,496	375,570

The notes on pages 21 to 28 form an integral part of these Financial Statements.

## **Statement of Principal Accounting Policies and Estimation Techniques**

### **1 General Information**

Country of registration - England

Registered Office - The Michael Young Arts Centre Room 201, DMC 02, County Way, Barnsley, Yorkshire, England, S70 2AG

### **2 Basis of Preparation**

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102 section 1A). They conform to guidance published by the Office for Students.

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

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.

### **3 Basis of Accounting**

The financial statements are prepared under the historical cost convention.

### **4 Going Concern**

The College achieved a surplus in the year of £539,286 (2020: £110,635) and the Trustees have an agreed budget and Corporate Annual Plan for the forthcoming financial year to maintain the College's accumulated surplus position. As at 31 July 2021, the College reported an accumulated surplus of £498,085 the College's largest creditor being a deferred income balance of £654,247 (2020: £631,338). The College is cash positive and is forecast to remain so. Stress-testing has been undertaken to calculate the effect on cash resources if income in the forecast period to 30 November 2022 is significantly reduced, this testing has shown that the college has sufficient cash headroom. Having reviewed the College's recent performance and the results of the stress testing, Trustees' assessment is there are adequate resources for the college to continue in operational existence for the foreseeable future, for this reason the financial statements have been prepared on a going concern basis.

The College has restricted reserves of £7,165.

### **5 Income Recognition**

Tuition fee income for foundation and undergraduate students, who benefit from flexible start and end course dates, is credited to the Statement of Comprehensive Income in proportion to the percentage of completion of service provided by the College to the student. In assessing the percentage of completion of the service the College has evaluated the value of the service provided and the expected costs of completing the service. The College is eligible to the income when a student:

- enrolls and as each course assignment is completed, or
- withdraws or is withdrawn from the course, or
- is unable to complete the course as the maximum time allowed has passed.

Tuition fee income from short courses and post graduate courses is recognised over the arranged period of instruction.

Tuition fee income received in advance of performance related conditions being met is carried forward to a future financial year and 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.

Income from the sale of goods and services, excluding tuition fee income, 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.

Grant funding from OfS is recognised as income when the College 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.

## **6 Accounting for Retirement Benefits**

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

## **7 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 College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

## **8 Leases**

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.

## **9 Stocks**

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

## **10 Tangible Fixed Assets**

Equipment and plant, including computers and software, are capitalised at cost and depreciated over their 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.

## **11 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.

## **12 Provision**

Provisions are recognised when:

- a) The College has a present obligation (legal or constructive) as a result of a past event;
- b) it is probable that a transfer of economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

## **13 Reserves**

Reserves are classified as restricted or unrestricted. The College currently has £7,165 in restricted reserves for a small enterprise enhancement scheme which funds progressing students and provides sponsorship of projects.

#### **14 Significant estimates and Judgements**

Tuition fee income for foundation and undergraduate students is credited to the Statement of Comprehensive Income once performance conditions have been met. In the College's judgement performance conditions are met for those students entitled to continue a course based on the course's terms and conditions to be when a student enrolls and as each course assignment is completed. The timing of the release of deferred income is dependent upon student progression which is time flexible. The college has an active study policy to encourage students to engage with and complete course units, for this reason deferred income is shown within 'Creditors: amounts falling due within one year'.

#### **15 Financial Instruments**

The financial assets and liabilities held qualify as basic financial instruments as described in Section 11 of FRS 102. Basic financial instruments, comprising trade debtors, cash and cash equivalents and trade payables, are initially recognised at transaction value and subsequently measured at their settlement value. Cash is held on deposit in Barclays Bank. Trade debtors and trade creditors consist of balances outstanding at the financial year end.

## Notes to the accounts

### 1. Tuition fees and education contracts

	2021 £	2020 £
UK & EU Higher Education	2,015,739	1,599,509
Non-EU Higher Education	189,330	168,018
UK & EU Further Education	158,600	147,579
Non-EU Further Education	15,230	13,217
Short Courses	13,670	195
	<u>2,392,569</u>	<u>1,928,518</u>

### 2. Other operating income

	2021 £	2020 £
Educational Visits and Events	609	2,116
Sundry	11,775	9,820
	<u>12,384</u>	<u>11,936</u>

### 3. Staff costs

	2021 £	2020 £
Wages and salaries	900,698	872,741
Social security costs	81,869	79,578
Other pension costs	40,642	39,368
	<u>1,023,209</u>	<u>991,687</u>

Pension contributions are paid into the College's defined contribution group personal pension plan. The College set up a defined contribution pension scheme for employees with effect from 1 April 2016. £4,682 was payable at 31 July 2021 (2020: £5,124).

Average staff numbers:	2021 Number	2020 Number
Number of employees	35	33
Full time equivalent	26	25

There were no higher paid staff in the year (2020: nil).

### Emoluments of the Principal & Chief Executive

	2021 £	2020 £
<b>W Woods</b>		
Salary	88,001	88,001
Pension	4,400	4,400
	<u>92,401</u>	<u>92,401</u>

## Notes to the accounts (Continued)

### 3. Staff costs (continued)

The Principal's pension contributions are on the standard terms of the College's defined contribution group personal pension plan. No members of staff received employee benefits greater than £100,000.

The Principal and Chief Executive Officer took up office on 29 September 2017, the initial remuneration of £85,000 was increased in August 2018 by the nationally agreed cost of living pay award of 1.7% to the higher education sector and again in August 2019 by 1.8%. No cost of living award was agreed for August 2020 in line with the cost of living freeze for all staff. In determining the base salary when making the appointment, the Board of Trustees took advice from an external recruitment agency and benchmarked the role with senior management positions within the University for the Creative Arts (UCA), as parent company. At the time of appointment, the role was considered equivalent to that of an Executive Dean at UCA, where the salary band was between £83,913 and £100,000. The Principal's base salary was set within that band. OCA has also contributed 5% of base salary pa to a defined contribution pension scheme. The total remuneration awarded was determined considering the skills and experience that the successful candidate would bring to the post, as evidenced during the selection process.

The Principal's basic salary is 3.01 (2020: 3.01) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by OCA to its staff.

The Principal's total remuneration is 3.03 (2020: 3.00) times median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by OCA of its staff. It is not possible to reliably calculate the full-time equivalent value of tutor fees which are paid on a per student allocation basis or course commissioning fees, these have instead been included within total remuneration at actual values paid for the purposes of calculating median pay levels.

### Key management personnel

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

	2021	2020
	£	£
Key management personnel	155,160	153,380

### Trustees

No Trustee has received/waived remuneration from the College during the year (2020: – none).

No expenses were paid to or on behalf of Trustees for travelling and subsistence (2020: £369 to 3 Trustees). No other expenses were paid (2020: nil).

### 4. Other operating expenses

	2021	2020
	£	£
Equipment, furniture and computing costs	15,035	13,558
Audit fees (including VAT): Remuneration for external audit services	15,574	15,326
Other expenses	992,152	981,168
<b>Total</b>	<b><u>1,022,761</u></b>	<b><u>1,010,052</u></b>

## Notes to the accounts (Continued)

### 5. Analysis of expenditure by activity

	Staff costs		Other operating Costs		Total	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Academic departments	380,478	367,233	544,355	493,704	924,833	860,937
Academic services	439,928	426,522	127,437	159,210	567,365	585,732
Administration and central services	202,803	197,932	238,612	277,544	441,415	475,476
Premises	-	-	112,357	79,594	112,357	79,594
	<u>1,023,209</u>	<u>991,687</u>	<u>1,022,761</u>	<u>1,010,052</u>	<u>2,045,970</u>	<u>2,001,739</u>
Depreciation	-	-	8,380	13,394	8,380	13,394
	<u>1,023,209</u>	<u>991,687</u>	<u>1,031,141</u>	<u>1,023,446</u>	<u>2,054,350</u>	<u>2,015,133</u>

### 6. Restricted reserves

	2021 £	2020 £
<b>At 01 August 2020</b>	<b>8,230</b>	-
New donations	-	10,000
Expenditure	(1,065)	(1,770)
Total restricted comprehensive (expenditure)/income	<u>(1,065)</u>	<u>8,230</u>
<b>At 31 July 2021</b>	<b><u>7,165</u></b>	<b><u>8,230</u></b>
<b>Analysis of other restricted funds/donations by type of purpose:</b>		
Small enterprise enhancement scheme	-	10,000
	<u>-</u>	<u>10,000</u>

## Notes to the accounts (Continued)

### 7. Fixed assets

	Fixtures & Fittings £	Computer Equipment £	Total £
<b>Cost</b>			
At 1 August 2020	18,484	27,336	45,820
Additions at cost	7,338	2,376	9,714
Disposals	(8,876)	(20,031)	(28,907)
<b>At 31 July 2021</b>	<u>16,946</u>	<u>9,681</u>	<u>26,627</u>
<b>Depreciation</b>			
At 1 August 2020	7,890	23,513	31,403
Charge for year	4,277	4,103	8,380
Disposals	(4,355)	(20,031)	(24,386)
<b>At 31 July 2021</b>	<u>7,812</u>	<u>7,585</u>	<u>15,397</u>
<b>Net book value at 31 July 2021</b>	<u><b>9,134</b></u>	<u><b>2,096</b></u>	<u><b>11,230</b></u>
Net book value at 31 July 2020	<u>10,594</u>	<u>3,823</u>	<u>14,417</u>

### 8. Trade and other receivables

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade receivables	437,940	385,457
Prepayments and accrued income	28,474	32,419
Other debtors	3,495	-
	<u><b>469,909</b></u>	<u><b>417,876</b></u>

### 9. Creditors

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Trade creditors	49,236	16,800
Amount owed to group undertakings	41,129	22,348
Other tax payable & social security	24,816	23,998
Accruals	165,186	154,535
Other creditors	4,682	5,124
Deferred income	654,247	631,338
	<u><b>939,296</b></u>	<u><b>854,143</b></u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## Notes to the accounts (Continued)

### 10. Lease Obligations

At 31 July 2021, the Charity had total future minimum lease payments in respect of property under non-cancellable operating leases payable as follows:

	2021 £	2020 £
Within one year	20,967	13,250
	<u>20,967</u>	<u>13,250</u>

### 11. Provisions for liabilities and charges

	2021 £	2020 £
Dilapidations	40,000	-
	<u>40,000</u>	<u>-</u>

### 12. Cash and cash equivalents

	2021 £	2020 £
Cash at bank	994,475	375,540
Cash in hand	21	30
	<u>994,496</u>	<u>375,570</u>

### 13. Analysis of changes in net debt

	At 31 July 2020 £	Net cash flows £	At 31 July 2021 £
Cash at bank and in hand	<u>375,570</u>	<u>618,926</u>	<u>994,496</u>

### 14. Related Party Transactions

The College has made enquires with the Trustees and senior staff and there are no Related Party Transactions to report, Trustee expenses are disclosed in note 4.

The College has taken advantage of the exemption offered by FRS 102 (section 33) in respect of transactions and balances between it and the University for the Creative Arts, as it is a wholly-owned subsidiary of the University for the Creative Arts, UCA Farnham, Falkner Road, Farnham, Surrey, GU9 7DS.