

Company No: 02535199

Charity No: 1001586

WORLD SKILLS UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

WORLDSKILLS UK
YEAR ENDED 31 MARCH 2019

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WORLDSKILLS UK
ANNUAL REPORT OF THE TRUSTEES INCORPORATING THE STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Board of Trustees of WorldSkills UK ("the Charity") presents its annual report incorporating the strategic report for the year ended 31 March 2019, together with the audited financial statements for that year, under the Companies Act 2006, the Charities Act 2011, FRS 102 (effective 1 January 2015) and applicable accounting standards.

REFERENCE AND ADMINISTRATIVE DETAILS

WorldSkills UK is a registered charity (No. 1001586) and a company (No. 02535199) limited by membership guarantees. Its registered office is as shown on page 11.

The present Trustees (who are also the Directors), and any past Trustees who served during the year, are shown on page 11, together with the names of the senior executive staff. The external advisers of the Charity are also set out on page 11.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by its Memorandum and Articles of Association adopted on 29 August 1990 and last amended on 14 April 2005.

The Board of Trustees is responsible for the overall governance of the Charity. Trustees are elected by the Board after a procedure involving their proposal by a member, or members of the Board and a formal interview. The total number of Trustees may not exceed fifteen. Trustees may only remain in office for nine consecutive years unless the Board of Trustees resolves that they may remain for a further period.

Qualifying third party indemnity provision is in place for the benefit of all Trustees of the charity.

The Board delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled by requiring regular reporting back to the Board, so that all decisions made under delegated powers can be ratified by the full Board in due course.

The Skills Show Ltd which is a fully owned subsidiary of WorldSkills UK has remained dormant throughout the year and has not traded in 2018/19.

AUDIT COMMITTEE

The Audit Committee comprises Trustees and other advisors who are independent of the management and free of any relationship that in the opinion of the Board of Trustees would interfere with the exercise of independent judgement as members of the Committee. Members of the Committee are elected by the Board at one of their regular Board meetings. The Committee meets at least quarterly. Its responsibilities include Risk Assessment, Risk Management and Internal Control, advising the Board of Trustees accordingly.

FINANCE AND GENERAL PURPOSES COMMITTEE

From April 2019 the Board will establish a Finance & General Purposes Committee to advise the WorldSkills UK Board on matters of financial management, accountability, and corporate services. This committee will meet at least quarterly and comprise a minimum of three members of which at least two will be Trustees.

REMUNERATION COMMITTEE

The role of the Remuneration Committee is to establish a formal and transparent procedure for developing policy on remuneration across the staff of WorldSkills UK and to specifically set the remuneration packages for members of WorldSkills UK's Leadership Team (Chief Executive and Directors) and where appropriate Trustees of WorldSkills UK. The Committee meets at least annually and also when needed for executive level recruitment. The Remuneration Committee benchmarks executive remuneration packages against comparable education and charitable organisations to ensure that remuneration is appropriate to the scale and resource of the charity and sufficiently competitive to attract and retain the skills required.

TRUSTEES' INDUCTION AND TRAINING

New Trustees receive a copy of the WorldSkills UK Trustee Induction pack which includes information on their legal obligations under charity and company law, Trustee terms of reference, information about the charity and a copy of the Memorandum and Articles of Association. They also have one-to-one briefings with the Chair, Deputy Chair and Chief Executive where they receive information about the decision-making processes, Board structure, and receive

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a copy of the Business Plan. Trustees are able to attend external training events appropriate to their roles. During the year the charity provided indemnity insurance for its Trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of WorldSkills UK for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies).

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 these financial statements, the Trustees are required to:

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

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

So far as the Trustees are aware:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

CORPORATE GOVERNANCE

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of control is based on an ongoing process designed to:

- identify and prioritise the risks related to the achievement of policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised; and
- manage them efficiently, effectively and economically.

The Trustees review the effectiveness of internal control. This comprises:

- review by the Audit Committee and the Board of the Business Plan and Annual Budget;
- review by the Audit Committee and the Board of management accounts;
- review of the appropriateness of processes and procedures by the Audit Committee;
- review by the Audit Committee and the Board of delivery activity across operational areas;
- advice on financial control by the Audit Committee;
- review and action resulting from comments by the external auditors in their management letter; and
- review and action resulting from comments of internal audit work.

WorldSkills UK does not have an in-house internal audit function at present. However, internal audit work may be commissioned in specific areas after undertaking a comprehensive risk assessment and value for money exercise.

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RISK MANAGEMENT

Leadership on risk management issues comes from the Board and the Audit Committee. Both are able to draw on the expertise of non-executive members with experience of the private and public sectors. The Audit Committee acts in an advisory and overview capacity. The Audit Committee at its three meetings across the year reviews the risk register as a standing agenda item and reports to the Board. The Board receives and comments on the risk register at each of its meetings.

At a strategic level, management of risk is embedded in the planning and performance reporting processes of the organisation. The instigation of each major work programme is assessed for risk.

The charity currently faces these principal risks and uncertainties:

There is an inherent risk associated with the successful implementation of the new ambitious strategic direction set out in the five year plan (2017-2022), and the associated stretch on core resources within WorldSkills UK (WSUK). This risk is being tackled by careful internal resource management and developing a new programme of activity that is further aligning WSUK purpose and impact with potential partners, funders and employers. WSUK is also ensuring that all products and activities are effectively piloted, tested and evaluated. In parallel, the changes to the organisational culture within the Board and staff continue to be progressed to ensure there is the commitment, expertise and resource base to implement the strategy.

Securing more stability and reasonable levels of core income from the Department for Education (DfE) are current and continuing challenges which are being addressed through strong partnership working between senior officials in the DfE and WSUK. Improving the understanding of WSUK across the Department, of its contribution to policy and of its impact, value and potential for growth are important to support future policy and funding decisions. The increase in confidence resulting from more secure and certain funding arrangements will drive higher business engagement and investment and allow greater growth and impact in operational activity. They will also enable better value for money and more efficient working and will ensure that timing of operational delivery is not skewed by delays in external funding decisions.

Effectively aligning with the differing policy and funding objectives of all four UK nations is a continuing challenge that WSUK is seeking to manage by establishing and maintaining robust relationships with the governments and elected representatives in each UK nation working to identify priority actions in line with WSUK's strategy and supporting DfE in their aim of securing strong policy positions and funding contributions to WSUK's core activities.

The current political and economic uncertainties, including those relating to the departure of the UK from the European Union and the direction of key economic indicators, combined with continuing core government grant funding pressures and developments in technical education and skills polices presents a dynamic and challenging context to the work of WSUK. There is a clear opportunity, despite the uncertainties, for WSUK to use its unique global platform and partnerships to leverage involvement in its activities and drive further progress towards strategic goals. The push for global (non-EU) trade deals will grow, as will the demand for home-grown talent as future labour immigration changes and the ongoing need for skilled workers and apprentices continues to be vital to sustaining economic growth.

OBJECTS, AIMS AND PRINCIPAL ACTIVITIES OF THE CHARITY

The Charity's declared objects are the promotion of vocational training and education of organisations and individuals in the UK and to raise the standards of skill and technical knowledge of such persons.

WSUK is a partnership between education, business and governments to raise standards and give young people the best start in work and life. It inspires young people of all backgrounds to take up apprenticeships and technical education, champions their success, and enables personal and professional development. It supports businesses by increasing skills levels, boosting productivity and competitiveness. It collaborates with a wide network of partners to develop home-grown skills and improve social mobility.

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How activities deliver public benefit

The main activities of WSUK and its beneficiaries are described below. All charitable activities focus on the objectives of WorldSkills UK and are undertaken to further the organisation's charitable purposes for the public benefit. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit."

PRINCIPAL ACTIVITIES

WSUK is a partnership between education, business and governments to raise standards and give young people the best start in work and life. It does this by:

- Championing young people's success in their career paths through skills competitions;
- Supporting young people to make informed choices about their career directions, raising their awareness of technical education and apprenticeship opportunities;
- Bringing learning from skills competitions back to the UK's skills systems to raise skills standards and improve business productivity.

WSUK convenes experts from across the UK to run experiential careers advice events and skills competitions. It celebrates the success of young people through annual national skills competition finals and selects the best from the finals to undergo intense training to world-class standards to represent the UK in international skills competitions. It demonstrates the UK has world-class skills. It harnesses and brings back learning into UK training and workplaces to support the UK's skills systems in improving the technical and employability skills of young people to help businesses grow. It champions technical skills and promotes these in inspiring ways to young people making careers choices, improving their understanding and interest in technical education and apprenticeships. It transforms young people's lives.

REVIEW OF ACTIVITIES

Over the last year, WSUK has strengthened its core activities, improving the career prospects of over 110,000 young people, remaining in the top 10 in Europe in skills competitions and attracting over 70,000 visitors to WSUK LIVE. In addition, it has expanded its agenda through developing the Productivity Lab, a programme that harnesses learning from the international skills market and bringing this back into the UK's education and skills systems.

WSUK reaches throughout England, Northern Ireland, Scotland and Wales and has built further the strategic partnerships with governments, education and businesses in all four nations.

It has maintained a focus in the year on diversifying its income base, achieving high quality and impact and creating value.

Skills competitions - championing young people's success in their career paths

The 2018 WSUK National Competition Cycle, which launched in March, saw 3,159 young people register to take part in 57 skill areas. Designed by industry experts, these competitions are a vital component of apprenticeship and technical skills programmes, assessing an individual's knowledge, practical skills and employability attributes in a wide range of industries. 89% of young people who participated in the competition finals said their technical skills had risen and 80% said their career prospects had improved. The competition portfolio has been refined to align more closely to the needs of the UK economy and prioritised in the Industrial Strategy, with new competitions in areas such as Cyber Security, Laboratory Technician and Business Information Modelling. 39% of skills competitions are now in high productivity growth areas of STEM, IT and advanced construction.

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Following registration, 323 National Qualifiers (heats) took place throughout the UK during the spring and summer 2018, with 500 competitors then invited to take part in the National Finals in November at WorldSkills UK LIVE (formerly known as the Skills Show).

In September, a team of 22 competitors represented the UK in 19 skills at EuroSkills Budapest 2018. Ahead of the event, Ministers and senior MPs in all UK nations supported the Team and many stakeholders attended the Team UK send-off reception held in the House of Commons. Team UK came 9th at the competition, with one gold medal and three bronzes – maintaining their top 10 position on the European stage. The Team also achieved seven Medallions of Excellence. Media interest was strong, reaching 24m and including ITV's "On Assignment" broadcast.

In preparation for the international WorldSkills event taking place in Kazan in August 2019, eight selection events across the UK were held in spring 2019 to choose the Team to represent the UK. 37 young people in 32 skills were chosen including in skills which the UK will compete in for the first time at international level, such as Cyber Security and Cloud Computing. The Team embarked on a full programme of technical and personal skills training.

Careers advice and education - supporting young people to make informed choices

WSUK again hosted the nation's largest careers and advice event at the rebranded and refocused WorldSkills UK LIVE 2018 (formerly The Skills Show). Attracting more than 70,000 over three days, the event continued to bring together the UK's leading employers, colleges, training providers and schools at this interactive national showcase that remains a highly informative and inspirational event.

Anne Milton MP, Minister for Apprenticeships and Skills, visited LIVE, exploring the technology themed areas which celebrated the Year of Engineering, finding out more about competitions and meeting young people, employers and education partners. In addition, Labour Shadow Skills Minister, Gordon Marsden and representatives from administrations in the devolved nations attended. They commended the event for its contribution to career decision making and raising the prestige of technical education and skills.

The success of WorldSkills UK LIVE is best highlighted in the feedback received from visitors. 77% of young people gained knowledge of technical education and apprenticeships and 63% said they were more likely to consider technical and vocational education after the event. 69% were inspired by their experience. In addition, 82% of parents had improved their knowledge of technical education and skills, whilst 63% of educators felt more able to advise young people. Notably, 89% of young people said they were planning to follow up on what they had learned at LIVE, such as speaking to their parents or finding out more information about technical education and careers.

WSUK also supported over 6,270 students in the year to learn more about technical education by drawing on the network of young professionals who have previously competed in a WSUK competitions. These Skills Champions have played an essential role throughout 2018-19 in showing young people and businesses the value of apprenticeships and technical careers. Skills Champions are powerful advocates - 94% believe that it is important for students to hear experiences from young people in work and 93% believe it is important to share their knowledge and skills with others. 71% of young people were inspired by meeting a Skills Champion.

Other activities to strengthen and support careers education and advice included WSUK Youth Summits where young people have shared their views on careers advice, further dissemination of career planning toolkits to schools and colleges and the first opinion research carried out with 1000 young people at LIVE to explore their views of future careers and employment in a rapidly changing world.

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New business developments – supporting the UK’s skills systems to raise skills standards and improve business productivity

WSUK has progressed towards its five year business plan goals during the year through not only strengthening its core activities as set out above, but expanding its work through using learning from the core to explore developing insights, resources, products and partnerships that will help raise standards in technical education and productivity in businesses.

This work included the development of the Productivity Lab concept which will use insights and experience to embed world class excellence across UK skills systems. Research commenced in partnership with Oxford University and the think tanks, RSA and FETL, and product development began, based on the advanced training programme used to prepare young people for international competition. In addition, a series of thought leadership events was held to develop thinking around the impact of technological change on training and skills.

Alongside this, as part of its commitment to diversity and inclusion across its work, WSUK set out a strategy to improve access and progress in skills competitions and, working with key partners and diversity experts, started to explore barriers faced by underrepresented groups entering competitions.

Funding diversification

WSUK continued to move to an income portfolio that is increasingly diversified. The focus on commercial investments resulted in £1.1m of direct cash sponsorship income being achieved in 2018-19, while a further £797k was secured in value in kind from partners to support the National Competition Finals at WSUK LIVE, with additional support across the National Competition cycle from competition organisers which is valued through a management estimate to be worth in excess of £1.6m. Commercial partners in 2018-19 included the Navy and Air Force, BAE Systems, Bosch, Autodesk and Forterra.

Strategic partnerships

The strategic partnership with the Education and Skills Funding Agency strengthened enabling new relationships aimed at bringing closer links between WSUK activities and key skills and education policies and enabling competition activity to be more integrated with apprenticeship and technical education programmes to help raise standards and the employability of young people.

WSUK continued to work closely with the devolved nations to build stronger partnerships with the government, education and business and to start to tailor activities to better meet the needs of each nation.

FUTURE PLANS

Over the next twelve months, WSUK will continue to focus on driving up skills standards to the highest level, diversifying and increasing income sources and improving inclusivity and social mobility. At a time when the UK nations are seeking to develop home-grown youth talent to increase economic growth, productivity, competitiveness, trade and investment, there is a tangible opportunity for WSUK to position itself for further success, strengthening its role as the UK’s convening platform for expertise on world-class training and skills.

WSUK will continue to deliver on the goals set out in its five year business plan. It will continue to focus on extending further into the business community by developing products and services, which will help address employers’ recruitment, skills and productivity challenges, in particular drawing on international skills standards and embedding these in the UK’s education and skills systems.

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WSUK will further progress its successfully developing Productivity Lab, using learning from the international skills market to help raise standards across the UK system through, in particular, a thought leadership programme that shares insightful and applicable new research and innovative new product development for businesses and the education sector, providing resources and techniques that add value to curricula and programmes.

Work will continue to grow recognition of the WSUK brand through a brand refresh exercise which will clarify its aims and focus, aligning these with improving the prestige and value of technical education and apprenticeships and using this to enhance partnerships with businesses, education and government.

Improving diversity and inclusivity across WSUK's activities will be an important feature of 2019-20, including through disseminating and acting on research into the barriers to widening access to and progress through skills competitions, improving the set of skills competitions for SEND young people and building new strategic partnerships.

New insights and products, combined with a fresh brand position will aid WSUK to strengthen and diversify funding streams, including securing longer term and more stable funding arrangements with DfE, developing new strategic partnerships with investors, growing value in kind investments and developing new commercial products.

Work to support young people make all important career decisions will progress through the development and implementation of a new youth strategy, further developing the Skills Champion programme and extending work with schools and youth focused organisations to give young people inspiring and high quality experiences.

In competitions, in August 2019, WSUK will represent the governments, business and skills sectors in the UK nations on the international stage, when Team UK participates at WorldSkills Kazan 2019. Following medal winning performances at recent international and European competitions, the UK has maintained its top 10 ranking and aims to maintain that position.

In careers advice, WorldSkills UK LIVE will once again take place at the NEC Birmingham in November with a target of over 70,000 visitors. Support has already been secured from leading businesses including BAE Systems, Army, BMW and JLR. The event will host the National Finals of the WSUK Competitions, including a set of skills competitions for those with Special Educational Needs and Disabilities. Selection of the Squad to work towards representation of the UK in the next EuroSkills, in Graz in 2020, and the international WorldSkills competition in Shanghai in 2021, will take place at the event. The event will continue to focus on technological changes impacting future careers and this year will include a theme of mental well-being and resilience. The 2020 national cycle of competitions will launch at LIVE and more new competitions will be included, further aligning with economic need.

Underpinning its work, WSUK will continue to focus on tracking progress and performance, evaluating outputs and outcomes and improving efficiency and effectiveness, including through continuing data and digitisation programmes.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Statement of Financial Activities (SoFA), set out on page 14 shows that gross income increased by 8% to £10.3 million (2018: decreased by 7.6% to £9.5 million) and expenditure on charitable activities increased by 14% to £10.7 million (2018: decreased by 5.5% to £9.2 million) resulting in a decrease of net assets of £413k to £2.7 million (2018: increase of £263k to £3.1 million).

Financially:

- income generated through unrestricted grants and donations (including investment income) totalled £1,123k (2018: £1,033k).
- income generated through restricted grants and donations was £9,160k (2018: £8,440k).
- expenditure on experiential careers advice events and skills competitions totalled £10,687k (2018: £9,105k).

FINANCIAL MANAGEMENT POLICIES

Reserves

WorldSkills UK was predominantly funded by grants from Central UK Government to deliver a national cycle of Skills Competitions, undertake the training of a UK Team to compete in the International WorldSkills competitions; and mount WorldSkills UK LIVE.

The charity was also funded by sponsorship, other grants including The Careers & Enterprise Company, The Further Education Trust for Leadership and exhibition sales.

Reserves Policy

Minimum Reserves

The overriding principle is that WorldSkills UK should set and maintain a minimum level of reserves that is sufficient to both cover the organisation's statutory obligations and if required fund the winding up of its affairs in an orderly way.

Other Reserves

Any reserves generated over and above this minimum reserve level may be used to fund future growth. The Chief Executive must seek approval from the Audit Committee to use more than £500k of these reserves. Any amounts below £500k must be reported to the Audit Committee.

Investment policy

The Trustees, having regard for the liquidity requirements of the charity, and levels of risk appropriate to the organisation, hold all the charity's reserves in short term, interest bearing cash deposits.

Required Level of Minimum Reserves

The required level of minimum reserves is calculated as four months staffing costs, plus one year's office expenditure, plus the contracted minimum commitment for the Birmingham NEC. Annual forecast expenditure for these for 2019/20 are as follows: Staffing £2,562k; Office Expenditure £233k and NEC minimum contract £778k. The total level of minimum reserves is therefore set at £1,865k.

Should the level of reserves fall below the minimum then the Audit Committee needs to be informed and an action plan needs to be drawn up and approved by the Audit Committee to recover the reserves back to the minimum level.

Setting the Level of Minimum Reserves

The required level of minimum reserves is set at the beginning of the year according to the above formula based on the budgeted expenditure for that year and approved by the Audit Committee.

Monitoring the Level of Minimum Reserves

It is the responsibility of the Audit Committee to monitor the minimum level of reserves.

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EMPLOYEES

WorldSkills UK had an average of 41 employees in the year. The charity believes its employees are its greatest asset and recognises its responsibility to ensure they are afforded appropriate support throughout their employment.

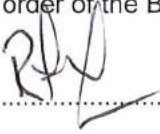
WorldSkills UK aims to support employees in their role so that they feel confident to undertake the responsibilities placed upon them and ultimately are able to contribute to the success of the organisation.

It is committed to providing equal opportunities in employment and to avoiding unlawful discrimination in the work environment. WorldSkills UK is fully aware of its responsibilities as an employer and acts in accordance with legislation.

AUDITOR

In accordance with the Companies Act 2006 a resolution proposing the appointment of RSM UK Audit LLP as auditors will be put to the members.

By order of the Board of Trustees



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Rooney Anand
Chairman of the Board, signing as so authorised.

Date: 06/11/2019

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MEMBERS OF THE BOARD

Dawn Childs (née Elson)
Mark Dawe
Angela Joyce (left 11/03/2019)
Pablo Lloyd (Deputy Chair – left 11/03/2019)
William Liles
Paul Little
Marie-Therese McGivern
Marion Plant (Deputy Chair from 11/03/2019)
Carole Stott (Chair – left 11/03/2019)
Stewart Segal (left 03/06/2019)
Peter Woodhouse (left 11/03/2019)
Rooney Anand (Chair – joined 11/03/2019)

AUDIT COMMITTEE

Mark Dawe (Committee Chair)
Peter Woodhouse
Dan Wright

EXECUTIVE OFFICERS

Neil Bentley-Gockmann, CEO
Stephen Crampton-Hayward, Company Secretary

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PRINCIPAL PROFESSIONAL ADVISERS

Solicitors

Bates Wells and Braithwaite
2-6 Cannon St
London EC4M 6YH

Bankers

Royal Bank of Scotland plc
62-63 Threadneedle Street
London EC2R 8LA

Auditors

RSM UK Audit LLP
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire SO53 3TY

WORLDSKILLS UK
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WORLDSKILLS UK
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Opinion

We have audited the financial statements of WorldSkills UK (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report and the incorporated Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

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Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

RSM UK Audit LLP

Frances Millar (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date: *19 November 2019*

WORLDSKILLS UK
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account
and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
INCOME FROM					
Generated funds:					
Income from investments	2	17,109	-	17,109	15,838
Income from charitable activities:					
Using competitions to raise skill standards and promote excellence		1,105,451	8,363,109	9,468,560	9,013,496
Income in kind and donated facilities	9	-	796,940	796,940	443,883
Total income		1,122,560	9,160,049	10,282,609	9,473,217
EXPENDITURE ON					
Expenditure on Raising funds:					
Fundraising costs	4	8,826	-	8,826	104,977
Charitable activities by objective:					
Using experiential careers advice events and skills competitions to raise skill standards and promote excellence	4	1,017,617	9,669,041	10,686,658	9,104,768
Total expenditure	4	1,026,443	9,669,041	10,695,484	9,209,745
Net (expenditure)/income for the year		96,117	(508,992)	(412,875)	263,472
Fund balances brought forward		2,414,083	733,090	3,147,173	2,883,701
Fund balances carried forward	17	2,510,200	224,098	2,734,298	3,147,173

The statement of financial activities has been prepared on the basis that all operations are continuing operations

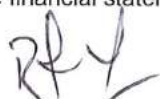
The notes on pages 17 to 26 form part of these financial statements

WORLD SKILLS UK
 Company registered number: 02535199
 Charity registered number: 1001586

BALANCE SHEET
31 MARCH 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Intangible assets	10	202,500	-
Tangible assets	11	29,540	-
Investments	12	-	-
		232,040	-
CURRENT ASSETS			
Debtors	13	2,646,215	815,060
Cash at bank		1,218,210	3,498,848
		3,864,425	4,313,908
CREDITORS: amounts falling due within one year	14	(1,362,167)	(1,166,735)
NET CURRENT ASSETS		2,502,258	3,147,173
NET ASSETS		2,734,298	3,147,173
FUNDS			
Restricted funds	15	224,098	733,090
Unrestricted funds	15	2,382,200	2,414,083
Designated funds	15	128,000	-
TOTAL FUNDS	17	2,734,298	3,147,173

These financial statements on pages 14 to 26 were approved by the Board of Trustees on September 27th 2019.



.....
Rooney Anand (Trustee and Chair)

The notes on pages 17 to 26 form part of these financial statements

WORLD SKILLS UK
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash (used) / generated from operating activities (Note a)	(2,050,937)	(366,120)
Cash flows from investing activities		
Bank and other interest receipts	17,109	15,838
Purchase of tangible fixed assets	(44,310)	-
Purchase of intangible fixed assets	(202,500)	-
Net cash provided by investing activities	<u>(229,701)</u>	<u>15,838</u>
Net (decrease) / increase in cash and cash equivalents	<u>(2,280,638)</u>	<u>(350,282)</u>
Cash and cash equivalents at the beginning of the reporting period	3,498,848	3,849,130
Cash and cash equivalents at the end of the reporting period	<u>1,218,210</u>	<u>3,498,848</u>

All cash and cash equivalents at the end of the reporting period relates to cash at bank and in hand

NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of expenditure to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure)/income for the year	(412,875)	263,472
Bank and other interest receipts	(17,109)	(15,838)
Depreciation of fixed assets	14,770	4,163
Disposal of fixed assets	-	-
(Increase) / Decrease in debtors	(1,831,155)	88,177
Increase / (Decrease)in creditors	195,432	(706,094)
Net cash (outflow) / inflow from operating activities	<u>(2,050,937)</u>	<u>(366,120)</u>

WORLDSKILLS UK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

Charity information

WorldSkills UK is a private company limited by guarantee incorporated in England and Wales. The registered office is Floor One, 151 Buckingham Palace Road, London SW1W 9SZ. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015)", FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation

The financial statements present information about the charitable company as an individual undertaking and not about its group. The charitable company has taken advantage of the exemptions provided by section 405 of the Companies Act 2006 not to prepare consolidated accounts as the subsidiary company is not material to the group.

Going concern

The Charity have the reasonable expectation that they will receive sufficient funds to continue its activities for the next twelve months from the date these financial statements are approved. The Charity produces a detailed budget and cash flow forecast prior to the commencement of each financial year and the directors are confident that sufficient funding will be forthcoming for the twelve month period.

The Charity's funding model is supported by the UK Government who have confirmed, that through the DfE, funding will be made available for competitions and a skills show for 2020/21. In addition, contractually bound private sponsorship income streams will continue to be realised in the coming financial year which will ensure that the Charity is able to meet its contractual obligations going forward.

Therefore, the Trustees continue to operate the going concern basis of accounting in preparing these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Income in kind for equipment and materials donated or lent to support the running of the national finals of the skills competitions is valued at current market rates for purchase, where goods given to WorldSkills UK, or hire where goods are lent. Where there is no hire market for the equipment lent, the value is estimated at 15% of the full market purchase value.

The ESF clawback provision is estimated risk value of errors in 2012-2015 ESF grant claims that could result in fund repayments being required. Steps have been taken to ensure that the risk of errors being present have been minimised.

There were no other specific judgments, estimates and assumptions that were critical to the preparation of these financial statements.

WORLDSKILLS UK
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (CONTINUED)

a) Income

Income is included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grant income is included when the related conditions for legal entitlement to the grant have been met. All other income is accounted for on an accruals basis.

b) Income in Kind

Income in kind is included in the Statement of Financial Activities (SoFA) where it has been possible to attribute a value to WorldSkills UK of the donation. The value to WorldSkills UK is based on the value that WorldSkills UK would have expended had the income in kind not been received. Income in Kind loans for the period of the event are valued at the appropriate hire cost if available. Where no value can be reasonably attributed to the loan it is excluded from the Statement of Financial Activities (SoFA).

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised as a quantified value in the accounts.

c) Government grants

Government grants are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors and deferred income. Where entitlement occurs before income is received the income is accrued.

d) Expenditure

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services and support costs. Costs of generating funds include fundraising. Non-staff costs not attributable to one category of activity are allocated or apportioned pro rata to the staffing of the relevant service. Governance costs are those associated with constitutional and statutory requirements.

e) Termination benefits

WorldSkills UK offers statutory levels of redundancy payments. In addition to any statutory redundancy pay due, pay in lieu of notice and payment for holidays accrued and not taken is also paid. Redundancy pay is not subject to deductions for Tax and National Insurance.

f) Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of WorldSkills UK.

Restricted General funds are resources subject to specific restrictions imposed by funders or donors.

g) Intangible fixed assets

Assets are stated at cost less accumulated amortisation. Amortisation is charged on a straight-line basis over their useful lives, being 5 years.

h) Tangible fixed assets

Assets are stated at cost or, where donated, stated at valuation based on their value over their useful life less accumulated depreciation.

i) Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets on a straight line basis over their expected useful lives of 3 years.

WORLDSKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (CONTINUED)

Office equipment	– 3 years straight line
Furniture and fittings	– 3 years straight line
Infrastructure	– 3 years straight line

j) Debtors

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

k) Current asset investments

Current asset investments are short term interest bearing deposits with a maturity beyond three months.

l) Cash at bank and in hand

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

m) Creditors & provisions

Trade and other creditors (including accruals) payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be measured or estimated reliably.

n) Taxation

No provision is made for Corporation Tax, as the Charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

o) VAT

Income and expenditure is recorded exclusive of VAT, where appropriate.

p) Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activity.

q) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

r) Change in accounting estimate

During the year management have re-assessed the basis for the accounting estimate applied to income in kind loans. Previously, an estimated hire rate of 5% was applied to loaned assets to reflect an appropriate hire cost. Based on updated information sources, management have revised this estimate and a 15% rate has been applied in the current year. The impact in the current year is an additional £250,185 but no impact on the surplus/deficit.

WORLDSKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

2. INVESTMENT AND OTHER INCOME

	2019 £	2018 £
Interest received	<u>17,109</u>	<u>15,838</u>

3. NET INCOME/EXPENDITURE FOR THE YEAR

	2019 £	2018 £
This is stated after charging:		
Depreciation/Loss on Disposal of Fixed Assets	14,770	4,163
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual accounts	19,110	19,110
Total office lease payments	236,895	202,572
Total other operating lease payments	7,236	5,837

4. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Support Costs £	Direct Costs £	2019 Total £	2018 Total £
Cost of generating funds:					
Fundraising costs	<u>-</u>	<u>-</u>	<u>8,826</u>	<u>8,826</u>	<u>104,977</u>
Charitable Expenditure:					
Costs of activities in furtherance of the charity's objectives:					
Using competitions to raise skill standards and promote excellence	2,464,696	694,069	7,491,646	10,650,411	9,064,296
Governance costs	<u>-</u>	<u>36,247</u>	<u>-</u>	<u>36,247</u>	<u>40,472</u>
Total resources expended	<u>2,464,696</u>	<u>730,316</u>	<u>7,500,472</u>	<u>10,695,484</u>	<u>9,209,745</u>

Expenditure on charitable activities was £10,695,484 (2018: £9,209,745) of which £9,669,041 (2018: £8,221,681) was restricted and £1,026,443 (2018: £988,064) was unrestricted.

5. SUPPORT COSTS

	General £	Office Costs £	Governance Costs £	2019 Total £	2018 Total £
Using competitions to raise skill standards and promote excellence	<u>219,271</u>	<u>474,798</u>	<u>36,247</u>	<u>730,316</u>	<u>596,481</u>

WORLDSKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

6. EMPLOYEES

	2019	2018
	£	£
Staff costs consists of:		
Wages and salaries	2,002,291	1,875,637
Social security costs	223,876	206,919
Pension costs	112,581	99,529
External staff costs	125,948	28,533
	2,464,696	2,210,618

The average monthly number of employees on average basis during the year was made up as follows:

	2019	2018
	No.	No.
WorldSkills UK	41	40
Employees receiving gross salaries in the following range:	No.	No.
£60,001 to £70,000	6	3
£70,001 to £80,000	1	2
£80,001 to £90,000	2	2
£90,001 to £100,000	3	-
£100,001 to £110,000	-	-
£110,001 to £120,000	1	-
£120,001 to £130,000	-	1
£130,001 to £140,000	-	-
£140,001 to £150,000	-	-
	1	-

7. TRUSTEES' REMUNERATION AND EXPENSES AND KEY MANAGEMENT PERSONNEL

None of the members of the Board of Trustees received any remuneration during this year for their services as a trustee (2018: £Nil).

During the year, 4 Trustees (2018: 5) received reimbursements of personal travel and subsistence expenditure amounting to £6,473 (2018: £2,666).

The total Key Management Personnel (The Board, CEO and Directors) payroll costs during this year were £567,191 (2018: £521,232)

8. REDUNDANCY AND TERMINATION BENEFITS

WorldSkills UK offers statutory levels of redundancy payments. In addition to any statutory redundancy pay due, pay in lieu of notice and payment for holidays accrued and not taken is also paid. Redundancy pay is not subject to deductions for Tax and National Insurance.

- Total amount of payments made for period : £9,128 (2018: £7,154)

9. INCOME IN KIND

Income in kind includes assets loaned to WorldSkills UK for two weeks for WorldSkills UK LIVE purposes. These assets were new high value specialist assets specifically required for competition purposes.

WorldSkills UK also benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

WORLDSKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

10. INTANGIBLE FIXED ASSETS

	Software £	Total £
Cost		
At 1 April 2018	-	-
Additions	202,500	202,500
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2019	202,500	202,500
	<hr/>	<hr/>
Net book value		
At 31 March 2019	202,500	202,500
	<hr/>	<hr/>
At 31 March 2018	-	-
	<hr/>	<hr/>

No amortisation was charged for the year due to the development of the software completing in March 2019.

11. TANGIBLE FIXED ASSETS

	Office Equipment £	Total £
Cost		
At 1 April 2018	55,399	55,399
Additions	44,310	44,310
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2019	99,709	99,709
	<hr/>	<hr/>
Depreciation		
At 1 April 2018	55,399	55,399
Disposals	-	-
Charge for the year	14,770	14,770
	<hr/>	<hr/>
At 31 March 2019	70,169	70,169
	<hr/>	<hr/>
Net book value		
At 31 March 2019	29,540	29,540
	<hr/>	<hr/>
At 31 March 2018	-	-
	<hr/>	<hr/>

12. INVESTMENTS

The Charity owns all of the issued ordinary share capital of its subsidiary, The Skills Show Ltd. This investment is included in the company financial statements at its historic cost of £nil (2018: £nil).

The subsidiary is a company registered in England and Wales at Floor One, 151 Buckingham Palace Road, London SW1W 9SZ and was dormant throughout the accounting period.

The subsidiary is not material for the purpose of giving a true and fair view. The charity has therefore taken advantage of the exemption provided by section 405 of the Companies Act 2006 not to prepare group accounts.

WORLDSKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

13. DEBTORS

	2019 £	2018 £
Trade debtors	131,509	17,318
Other debtors	19,115	12,955
Other taxes and social security	315,482	127,374
Prepayments and accrued income	2,180,109	657,413
	<u>2,646,215</u>	<u>815,060</u>

14. CREDITORS: amounts falling due within one year

	2019 £	2018 £
Trade creditors	873,000	677,704
Other taxes and social security costs	71,168	53,927
Accruals and deferred income	344,641	318,158
Other creditors	73,358	116,946
	<u>1,362,167</u>	<u>1,166,735</u>
Movements on deferred income account in year:-		
Contract receipts unearned as at 1 April	-	500,000
Amounts released in year	-	(500,000)
Amounts received in year	69,083	-
	<u>69,083</u>	<u>-</u>
Contract receipts unearned at 31 March	69,083	-

15. FUNDS

	Designated funds £	Restricted funds £	Unrestricted funds £
Balance at 1 April 2018	-	733,090	2,414,083
Incoming resources	-	9,160,049	1,122,560
Resources expended	-	(9,669,041)	(1,026,443)
Transfer to designated	128,000	-	(128,000)
	<u>128,000</u>	<u>-</u>	<u>(128,000)</u>
Balance at 31 March 2019	<u>128,000</u>	<u>224,098</u>	<u>2,382,200</u>

WORLD SKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Restricted funds are funds received subject to specific conditions imposed by the donor.

	At 1 April 2018	Incoming Resources £	Resources Expended £	At 31 March 2019 £
Department for Education	733,090	8,300,000	(8,808,992)	224,098
CEC	-	10,000	(10,000)	-
FETL	-	53,109	(53,109)	-
Income in Kind & Donations	-	796,940	(796,940)	-
Balance at 31 March 2019	<u>733,090</u>	<u>9,160,049</u>	<u>(9,669,041)</u>	<u>224,098</u>

Department for Education (DfE) is received via the Education and Skills Funding Agency (ESFA) to support the running of national and international skills competitions and careers education events, primarily WorldSkills UK LIVE.

The Careers & Enterprise Company (CEC) grant was towards the Skills Champions programme.

The Further Education Trust For Leadership grant was towards research on adopting global skills innovation for the UK.

Income in kind is received from various sponsors to facilitate the running of the National Finals at WorldSkills UK LIVE.

The carried forward funds have been committed to a new competition registration system and for contractual prepayments for WorldSkills Kazan.

16. FINANCIAL INSTRUMENTS

The carrying amount of the charity's financial instruments at 31 March were

	2019 £	2018 £
Carrying amount of financial assets measured at amortised cost	<u>1,676,777</u>	<u>339,530</u>
Carrying amount of financial liabilities measured at amortised cost	<u>1,221,910</u>	<u>1,112,804</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2019 are represented by:

	Designated funds £	Restricted funds £	Unrestricted funds £	Total funds £
Intangible fixed assets	-	202,500	-	202,500
Tangible fixed assets	-	-	29,540	29,540
Net current assets	128,000	21,598	2,352,660	2,502,258
	<u>128,000</u>	<u>224,098</u>	<u>2,382,200</u>	<u>2,734,298</u>

WORLDSKILLS UK
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

18. PENSION

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity.

The pension cost charge represents contributions payable by the charity to the fund and amounted to £112,581 (2018 - £99,529). There are no contributions due at the year end (2018 - £Nil).

19. LEASE COMMITMENTS

The minimum commitments due under non-cancellable operating leases in the next year are:

	2019	2018
	£	£
Land and Buildings		
On operating leases expiring		
Within one year	140,275	140,275
Within 2 to 5 years	116,896	257,171
	<u>257,171</u>	<u>397,446</u>
Other		
On operating leases expiring		
Within one year	5,000	2,918
Within 2 to 5 years	8,573	-
	<u>13,573</u>	<u>2,918</u>

20. RELATED PARTY TRANSACTIONS

Carole Stott was chair of the board of both WorldSkills UK and The Association of Colleges (AOC). During the year WorldSkills UK made sales to AOC of £nil (2018: £210) and purchases of £nil (2018: £nil). At the year end there were no balances outstanding with AOC.

Marion Plant is Deputy Chair of the board of WorldSkills UK and the Principal of North Warwickshire & Hinckley College and South Leicestershire College (NWHC). During the year WorldSkills UK made sales to NWHC of £5,040 (2018: £5,040) and purchases of £21,845 (2018: £13,662). At the year end, WorldSkills UK had a creditor balance of £8,000 outstanding with NWHC (2018: no balances).

Barry Liles is a trustee of the board of WorldSkills UK and Principal of Coleg Sir Gar. During the year WorldSkills UK made sales to Coleg Sir Gar of £nil (2018: £17,100) and purchases of £nil (2018: £10,080). At the year end, there were no balances outstanding with Coleg Sir Gar (2018: £nil).

Paul Little is a trustee of the board of WorldSkills UK and Principal of City of Glasgow College (CGC). During the year WorldSkills UK made sales to CGC of £8,400 (2018: £8,400) and purchases of £1,345 (2018: £3,428). At the year end, WorldSkills UK had a creditor balance of £1,084 outstanding with CGC (2018: £nil).

Angela Joyce was a trustee of the board of WorldSkills UK and Principal of Warwickshire College Group (WCG). During the year WorldSkills UK made purchases of £nil (2018: £2,505). At the year end, there were no balances outstanding with WCG (2018: £nil).

Mark Dawe is a trustee of the board of WorldSkills UK and Chief Executive of the Association of Employment and Learning Providers (AELP). During the year WorldSkills UK made sales to AELP of £134 (2018: £nil). At the year end, there were no balances outstanding with AELP.

At the year end nothing was owed to trustees in relation to expenses (2018: £619)

