

Charity Registration No. 1103300

Company Registration No. 05038056 (England and Wales)

AIM QUALIFICATIONS AND ASSESSMENT GROUP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

AIM QUALIFICATIONS AND ASSESSMENT GROUP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Riley	
	P Harman	
	S Martin	
	T Flowers	
	G Willmore	
	I G Bond	
	L J Gee	
	L J Atkin	
	C Barratt	(Appointed 4 December 2019)
	D A Clarkson	(Appointed 26 September 2019)
	F A Grant	(Appointed 4 December 2019)
	G Potter	(Appointed 4 December 2019)
	A E Smith	(Appointed 5 December 2019)
Chief Executive	L Wyatt	
Secretary	D Marsh	
Charity number	1103300	
Company number	05038056	
Registered office	3 Pride Point Drive Pride Park Derby Derbyshire DE24 8BX	
Auditor	Azets Audit Services Ventura Park Road Tamworth Staffordshire B78 3HL	
Bankers	Lloyds Bank Plc Irongate Derby DE1 5GA	

AIM QUALIFICATIONS AND ASSESSMENT GROUP

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AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2020

The trustees present their report and financial statements for the year ended 31 July 2020.

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

Objectives and activities

The objects for which the charity is established are the advancement of learning, education and training of the public in or around the East Midlands (the region) and anywhere else in the United Kingdom by in particular, but not exclusively, one or more of the following ways:

- By being established as a significant high-quality End-Point Assessment Organisation;
- By maintaining and developing the international market;
- By being a leading high-quality AO and AVA;
- By maintaining and growing all organisation brands and markets;
- By maintaining compliance with all regulators; and
- Be being a major provider of offender learning.

Public benefit

AIM Qualifications and Assessment Group exists to provide an accessible and flexible accreditation service which helps to widen access to education and training for all learners, particularly those who have benefited least in the past from available provision. AIM Qualifications and Assessment Group seeks to promote equality of opportunity and improve the quality, flexibility, and responsiveness of learning opportunities to enable learners to progress into, through and across the framework of national qualifications. AIM Qualifications and Assessment Group seeks to provide support to those organisations that may be restricted by the ability to pay fees charged.

Achievements and performance

Charitable activities

In serving the aims and objectives, this year AIM Qualifications and Assessment Group has:

- Approved 36 new centres
- Maintained its low risk rating by QAA for our Access to HE provision
- Doubled the number of EPA standards
- Increased the number of apprentices assessed by 224%
- Increased the number of multiple-choice question banks by 1600%

Financial review

The results for the year are set out on page 9.

There was an excess of expenditure over income for the year of £74,975. The Charity has total unrestricted reserves at 31 July 2020 of £3,105,138 of which £250,000 has been designated. This leaves £2,855,138 general reserves of which free reserves total £2,068,854.

Reserves policy

The reserves policy was reviewed during the year which took account of future income streams, committed expenditure and a risk assessment. It was concluded that the charity needs to maintain free reserves to between 9 and 12 months unrestricted expenditure (currently equating to between £1,900,000 and £2,600,000). The trustees consider the current level of free reserves is adequate given that it is within the range set by the reserves policy.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Principal funding sources

Recognised centres design their own accredited courses to suit the needs of individual learners or groups of learners; there is an annual centre recognition fee and charges for quality assurance and accreditation. Employers of apprentices choose an Apprenticeship Assessment Organisation to provide an end point assessment for apprentices; there is a fee for each apprentice.

Investment powers, policy, and performance

The trustees are permitted to invest the monies of the charity not immediately required for its own purposes in or upon such investments, securities or property as may be thought fit in accordance with the governing document of the company, the Memorandum and Articles of Association.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The work has identified that of the few high residual risks appropriate control measures have been put in place to mitigate the possibility of occurrence.

COVID19

COVID 19 impacted on the Charity as closures of colleges, schools and training providers resulted in the Charity losing projected qualification registrations and consequently income. Resources were deployed by the Charity to maintain its services, by supporting and communicating with centres to award qualifications to learners under the extraordinary regulated frameworks.

Plans for the future

To deliver an increase of 167% assessments in 20/21:

- To increase the EPA portfolio
- Develop identified products for international delivery
- To deliver high quality assessment for e-learning products
- Maintain compliance with all regulators

Donations

Charitable donations were made during the year amounting to £4,091 (2019: £650).

Structure, governance and management

The charity is controlled by its governing document, a Memorandum and Articles of Association incorporated on 9 February 2004, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The board of trustees, which can have up to 15 members, administers the charity. The board meets quarterly, there is a sub-committee for Access to Higher Education and trustees are appointed to lead function role responsibilities in the following areas: Access to HE; Business and Brand development; Assessment and Qualifications; Standards and Quality; Finance Resources and Human Resources. A Chief Executive is appointed by the trustees to manage day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and employment.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M L Cooper	(Resigned 23 September 2019)
P Riley	
P Harman	
S Hopewell	(Resigned 4 December 2019)
S Martin	
T Flowers	
G Willmore	
I G Bond	
L J Gee	
R Webber-Jones	(Resigned 1 November 2019)
L J Atkin	
J Smith	(Resigned 1 November 2019)
C Barratt	(Appointed 4 December 2019)
D A Clarkson	(Appointed 26 September 2019)
F A Grant	(Appointed 4 December 2019)
G Potter	(Appointed 4 December 2019)
A E Smith	(Appointed 5 December 2019)

Recruitment and appointment of new trustees

The number of trustees shall be not less than five but (unless otherwise determined by ordinary resolution) not be more than fifteen, with at least one representative drawn from the members of the Charity being from the compulsory education sector, one from the post-compulsory sector and one from the higher education sector, one trustee must be an Access to HE provider (this can be the same person as the post-compulsory sector representative). Retirement of trustees will operate on rotation basis as laid down in Clause 30 of the Articles of Association. Nomination for election of the trustees is open to all the members and notice of election is issued in January of each calendar year. Nominations are open for a period of six weeks and are made on the appropriate application form and seconded by two other members. The membership is balloted, and the trustees appointed from the board meeting after the first board meeting in April of each calendar year. Retiring trustees can be nominated for re-election.

Induction and training of new trustees

New trustees receive a comprehensive learning pack on election; trustees attend an annual board training event and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Pay policy for key management personnel

The trustees make no special provision for senior staff or key management personnel. Pay and conditions for all staff are considered at least annually and are determined using a number of factors including external funding and the period of that funding, various indices, and affordability short and long term.

Wider network

Membership of AIM Qualifications and Assessment Group is open to Higher Education Institutions, Providers of Access to HE Provision, Statutory providers of post 14 education and training, Local Authorities, Learning & Skills Infrastructure organisations, Employers, Advocacy organisations, Education Improvement services, AIM Qualifications and Assessment Group staff and the Voluntary Sector.

Related parties

AIM Qualifications and Assessment Group is regulated by Ofqual, CCEA, Qualifications Wales and the Institute for Apprenticeships; it operates under licence to the Quality Assurance Agency (QAA).

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Fundraising policy statement

The charity does not undertake any fundraising activities either directly or via the use of external fundraising agents.

Auditor

On 7 September 2020 Group Audit Services Limited, trading as Baldwins Audit Services, changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name. Azets Audit Services are deemed to be reappointed under Section 487 (2) of the Companies Act 2006.

Disclosure of information to auditor

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

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



L J Gee

Trustee

Dated: 11/01/2021...

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2020

The trustees, who are also the directors of AIM Qualifications and Assessment Group for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charity will continue in operation.

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

Opinion

We have audited the financial statements of AIM Qualifications and Assessment Group (the 'charity') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

- the information given in the trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.
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AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

Matters on which we are required to report by exception

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

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 and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Azets Audit Services

Mr Mark Jackson FCA DChA
(Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

12 January 2021

Ventura House
Ventura Park Road
Tamworth
Staffordshire
B78 3HL

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

Current financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Total 2019 £
	Notes				
<u>Income from:</u>					
Grants received	3	122,588	-	122,588	-
Charitable activities	4	2,495,843	-	2,495,843	2,738,406
Investments	5	11,907	-	11,907	10,723
Total income		2,630,338	-	2,630,338	2,749,129
<u>Expenditure on:</u>					
Charitable activities	6	2,705,313	-	2,705,313	2,338,357
Net (expenditure)/income for the year/ Net movement in funds		(74,975)	-	(74,975)	410,772
Fund balances at 1 August 2019		2,930,113	250,000	3,180,113	2,769,341
Fund balances at 31 July 2020		2,855,138	250,000	3,105,138	3,180,113

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

All income and expenditure derive from continuing activities.

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Total 2019 £
	Notes			
Income from:				
Charitable activities	4	2,738,406	-	2,738,406
Investments	5	10,723	-	10,723
Total income		2,749,129	-	2,749,129
Expenditure on:				
Charitable activities	6	2,338,357	-	2,338,357
Net (expenditure)/income for the year/ Net movement in funds		410,772	-	410,772
Fund balances at 1 August 2018		2,519,341	250,000	2,769,341
Fund balances at 31 July 2019		2,930,113	250,000	3,180,113

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

All income and expenditure derive from continuing activities.

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	11	42,485		58,960	
Tangible assets	12	743,799		762,151	
		<u>786,284</u>		<u>821,111</u>	
Current assets					
Debtors	13	493,544		770,576	
Investments	14	500,000		1,000,000	
Cash at bank and in hand		1,554,970		847,115	
		<u>2,548,514</u>		<u>2,617,691</u>	
Creditors: amounts falling due within one year	15	(229,660)		(258,689)	
Net current assets		<u>2,318,854</u>		<u>2,359,002</u>	
Total assets less current liabilities		<u>3,105,138</u>		<u>3,180,113</u>	
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	250,000		250,000	
General unrestricted funds		<u>2,855,138</u>		<u>2,930,113</u>	
		<u>3,105,138</u>		<u>3,180,113</u>	
		<u>3,105,138</u>		<u>3,180,113</u>	

The financial statements were approved by the Trustees on 11/01/2021.



L J Gee
Trustee

Company Registration No. 05038056

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	22		200,535		316,628
Investing activities					
Purchase of intangible assets		-		(75,434)	
Purchase of tangible fixed assets		(4,587)		(23,517)	
Proceeds on disposal of investments		500,000		-	
Interest received		11,907		10,723	
Net cash generated from/(used in) investing activities			507,320		(88,228)
Net increase in cash and cash equivalents			707,855		228,400
Cash and cash equivalents at beginning of year			847,115		618,715
Cash and cash equivalents at end of year			1,554,970		847,115

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Charity information

AIM Qualifications and Assessment Group is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Pride Point Drive, Pride Park, Derby, Derbyshire, DE24 8BX. At the end of the year there were eleven trustees, each of whom, under the terms of the Memorandum and Articles of Association, had undertaken to contribute the sum not exceeding £10 in the event of a winding up of the company.

1.1 Accounting convention

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Income

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income from registration for AIM qualifications is recognised in the Statement of Financial Activities in the period that registration takes place. Income from End Point Assessments is recognised at assessment.

In prior years income from End Point Assessment was split between registration (recognised at the point of registration) and assessment (recognised when students achieve their Gateway). This change of policy has had the impact of deferring income estimated by the directors to be £43,000 at 31 July 2020 which would, under the policy adopted in the previous year, have been recognised in the SOFA in 2020.

Income is deferred when it is received in advance of the performance of the event to which it relates.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.6 Intangible fixed assets other than goodwill

Intangible fixed assets are initially measured at cost and subsequently measured at cost net of amortisation and any impairment losses. Intangible assets are amortised as follows:

Intellectual property	5 years
Website development	3 years

1.7 Tangible fixed assets

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

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

Freehold land and buildings	2% on cost
Plant and equipment	15% reducing balance
Fixtures and fittings	25% on cost
IT equipment	33% on cost

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

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest. Financial assets classified as receivable within one year are not amortised.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

Basic financial liabilities

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

Derecognition of financial liabilities

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

1.11 Taxation

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

1.12 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the amount expected to be paid in exchange for that service

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

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

1.13 Retirement benefits

Retirement benefits to employees of the charity are provided by a defined contribution plan and the Teachers' Pension Scheme (TPS) for the benefit of its employees.

Contributions to the defined contribution plan are expensed as they become payable.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension costs is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

2 Critical accounting estimates and judgements

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

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

3 Grants received

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Government JRS grant	122,588	-

4 Charitable activities

	2020 £	2019 £
Registration and assessment fees	2,495,843	2,738,406

5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	11,907	10,723

6 Charitable activities

	2020 £	2019 £
Staff costs	1,471,274	1,249,320
Depreciation and impairment	39,414	43,457
Consultancy costs	417,527	409,964
Premises costs	40,428	42,235
IT costs	383,860	434,475
Sundry expenses	325,033	146,206
	2,677,536	2,325,657
Share of governance costs (see note 7)	27,777	12,700
	2,705,313	2,338,357

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

7 Support costs

	Governance costs £	2020 Governance costs £	2019 £
Staff costs	6,000	6,000	6,000
Audit fees	5,807	5,807	4,073
Legal and professional	15,970	15,970	2,627
	<u>27,777</u>	<u>27,777</u>	<u>12,700</u>
Analysed between Charitable activities	<u>27,777</u>	<u>27,777</u>	<u>12,700</u>

8 Net movement in funds

	2020 £	2019 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	5,807	4,073
Depreciation of owned tangible fixed assets	22,939	23,930
Amortisation of intangible assets	<u>16,475</u>	<u>19,527</u>

9 Trustees

There was no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019. The key management personnel comprise the Chief Executive Officer and the trustees. The total employment benefits of the key management personnel were £71,876 (2019: £71,317).

4 trustees received travel expenses during the year totalling £341 (2019: £846 four trustees).

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Management	5	5
Administrative staff	41	36
Moderators	1	6
	<u>47</u>	<u>47</u>

Employment costs

	2020 £	2019 £
Wages and salaries	1,256,471	1,088,780
Social security costs	118,184	92,835
Other pension costs	102,619	73,705
	<u>1,477,274</u>	<u>1,255,320</u>

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

	2020 Number	2019 Number
£70,001 to £75,000	<u>1</u>	<u>1</u>

One employee is accruing benefits under a defined benefit scheme. £15,109 (2019: £8,965) of pension contributions were made on their behalf.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

11 Intangible fixed assets

	Intellectual property £	Website development £	Total £
Cost			
At 1 August 2019 and 31 July 2020	65,000	77,513	142,513
Amortisation and impairment			
At 1 August 2019	13,000	70,553	83,553
Amortisation charged for the year	13,000	3,475	16,475
At 31 July 2020	26,000	74,028	100,028
Carrying amount			
At 31 July 2020	39,000	3,485	42,485
At 31 July 2019	52,000	6,960	58,960

12 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	IT equipment £	Total £
Cost					
At 1 August 2019	790,575	16,731	3,670	28,762	839,738
Additions	-	-	-	4,587	4,587
At 31 July 2020	790,575	16,731	3,670	33,349	844,325
Depreciation and impairment					
At 1 August 2019	45,984	4,455	1,222	25,926	77,587
Depreciation charged in the year	15,812	1,842	1,218	4,067	22,939
At 31 July 2020	61,796	6,297	2,440	29,993	100,526
Carrying amount					
At 31 July 2020	728,779	10,434	1,230	3,356	743,799
At 31 July 2019	744,591	12,276	2,448	2,836	762,151

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	464,815	731,303
Prepayments and accrued income	28,729	39,273
	<u>493,544</u>	<u>770,576</u>

14 Current asset investments

	2020 £	2019 £
Short term deposits	<u>500,000</u>	<u>1,000,000</u>

During the year the charity placed cash into a 32 day notice account. The total amount held in such account at the balance sheet date was £253,651 (2019: £252,422).

During the year the charity placed cash into short term deposit accounts with maturity dates more than 3 months from the balance sheet date. The total amount held in such deposit accounts at the balance sheet date was £500,000 (2019: £1,000,000) at an average interest rate of 1.15%. The maturity dates and amounts are as follows:

Amount:

£250,000 - Maturity date: 17 September 2020

£250,000 - Maturity date: 23 June 2021

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	26,942	27,941
Trade creditors	89,016	56,189
Other creditors	14,201	12,250
Accruals and deferred income	99,501	162,309
	<u>229,660</u>	<u>258,689</u>

Included within other creditors is £14,201 (2019: £12,250) in respect of outstanding pension contributions.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

16 Pension costs

a) Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £43,671 (2019: £36,952).

b) Defined benefit pension plans

The charity contributes to a defined benefit multi-employer pension scheme, the Teachers Pension Scheme ('TPS'). This is an aggregate of the pre 2015 scheme and the 2015 scheme. Contributions to the defined benefit section of the Scheme were determined on the basis of quadrennial actuarial valuations carried out by the Government Actuary. The last full valuation was carried out as at 31 March 2016. This sets out the contribution rates for the implementation period (1 April 2019 to 31 March 2023).

The key elements of the 2016 valuation and subsequent consultation were:

- Employer contribution rates set at 16.48% of pensionable pay until September 2019 when contribution rates increased to 23.6%, including a 0.08% employer administration charge to cover the delay in implementing the changes of the 2015 scheme from April 2019 until September 2019.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- An employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- The assumed real rate of return is 2.8% in excess of prices until 2019 (and 2.4% thereafter) and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%

The contributions during the year totalled £58,948 (2019: £36,753).

A copy of the valuation report and supporting documentation is on the Teachers' Pension website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 August 2018	Incoming resources	Balance at 1 August 2019	Incoming resources	Balance at 31 July 2020
	£	£	£	£	£
Cessation fund	250,000	-	250,000	-	250,000
	250,000	-	250,000	-	250,000

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

18 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Total 2019 £
Fund balances at 31 July 2020 are represented by:						
Intangible fixed assets	42,485	-	42,485	58,960	-	58,960
Tangible assets	743,799	-	743,799	762,151	-	762,151
Current assets/ (liabilities)	2,068,854	250,000	2,318,854	2,109,002	250,000	2,359,002
	<u>2,855,138</u>	<u>250,000</u>	<u>3,105,138</u>	<u>2,930,113</u>	<u>250,000</u>	<u>3,180,113</u>

19 Operating lease commitments

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

	2020 £	2019 £
Within one year	-	8,997

20 Events after the reporting date

Since the year end, the continuing spread of COVID-19 has severely impacted many local economies around the globe. As a result, Charities are being forced to cease or limit operations for long or indefinite periods of time. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures colleges, schools and training providers have resulted in the Charity losing projected registrations and activities which has had the impact of reducing its income. The Trustees have determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 July 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charity for future periods.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

21 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year the charity raised invoices in respect of various organisations in which the trustees have an involvement. Details of these relationships, transactions and balances are as follows:

Related Party	Relationship	2020 Income £	2019 Income £	2020 Debtor £	2019 Debtor £
P Riley	Director of NDA Foundation	80,557	80,354	69,427	71,147
S Hopewell	Employee of Derby College	14,493	19,184	22	11,133
S Martin	Employee of ATT	48,633	57,234	8,170	8,039
I Bond	Employee of Inspire	23,493	26,223	314	3,250
L Guyatt	Employee of Derby College	14,493	19,184	22	11,133
R Webber-Jones	Employee of Sheffield College	21,000	19,890	-	1,645
L Atkin	Employee of Leicester College	120,965	122,629	168	16,576
G Potter	Employee of Bauer Academy	59,736	-	4,800	-
Trustee		2020 Expense £	2019 Expense £	2020 Creditor £	2019 Creditor £
M Cooper	Consultant	1,524	5,580	-	-
G Willmore	Consultant	5,868	4,268	-	-

22 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(74,975)	410,772
Adjustments for:		
Investment income recognised in statement of financial activities	(11,907)	(10,723)
Depreciation and impairment of tangible fixed assets	39,414	43,457
Movements in working capital:		
Decrease/(increase) in debtors	277,032	(206,019)
(Decrease)/increase in creditors	(29,029)	79,141
Cash generated from operations	200,535	316,628