



The Institute of Automotive Engineer Assessors

Financial Statements For 31 December 2022

A Company Limited by Guarantee and not having a Share Capital
Company registration Number: 0350568 Charity Number: 273452

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Financial Statements

Year ended 31 December 2022

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The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Members of the Council and Professional Advisers

Year ended 31 December 2022

The Members of the Council	President and Chairman	D Power	
	Past president	A Simpson	
	President Elect	D Punter	
	Members	C Jones L Minton P Roath G Hunt M Wells J Dangerfield D Beirne C Robins P Briggs C Aplin K Ashton	(retired 17 Sept 2022) (retired 17 Sept 2022) (appointed 8 Nov 2022)
Officers	Finance Officer	G Hunt	
	Company Secretary	A Cairns R Warrington	(retired 1 Mar 2023) (appointed 1 Mar 2023)
Company Number	0350568		
Charity Number	273452		
Registered Office	Pennyroyal Court Station Road Tring HP23 5QY		
Auditors	G P Financial Management Ltd 8 The Old Yard Lodge Farm Business Centre Wolverton Road Castlethorpe Milton Keynes MK19 7ES		
Bankers	Lloyds TSB 22 Conduit Street Lichfield Staffordshire WS13 6JS		

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

The Council's Annual Report (Incorporating the Directors' Report)

Year ended 31 December 2022

The Council members, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 December 2022.

Objectives & activities

Principal activity

The activity of the Institute continues to be that of a professional association, the main object of which is to promote and develop for the public benefit the science of the design, manufacture and related technology of motor vehicles and the science of repair of, and risks arising from, the use of road vehicles and to further public education therein. To this end, the Institute designs and sets a syllabus for students to study and prepare for the Institute's written examinations. The Institute encourage and approve Education Institutes and private Organisations to offer the Institute exams and a distance learning package is available with tutor guidance for individuals. The Institute also organises a practical competence assessment and since late 2017 the revised Code of Practice for disposal of motor vehicle salvage named the Institute as a learning body whom operates assessed outcome testing of vehicle damage assessors wishing to be endorsed for categorising salvage.

Aims and objectives

The Aim of the Trustees remained as ever to ensure that the Institute continues to provide relevant and coherent membership and education standards that support the Members and complemented the industries where they work. The ongoing focus of the Council was to promote the Education Standards and Qualifications for membership and continue to align these to membership grades.

The main area of development in 2022 was the continued use of technology to allow access to learning material for professional qualifications, training and CPD for all members and students wherever they are located. The ongoing legal review of the governance documents continued in 2022, reviewing the governance of the institute to both future proof the Institute and allow for the governance to work in a more agile manner to meet the needs of a rapidly changing industry. This review should be completed in 2023.

The Institute continues to be committed to providing the motor vehicle repair industry, insurance industry, legal profession, motor vehicle salvage operators and members of the public who require a reliable high quality professional assessment service with independent information and guidance. Compliance to the Institute rules and requirements in the use of the Institute logo and the use of post-nominal letters continued to be pursued rigorously to ensure the confidence of all concerned.

The Trustees have had due regard to the Charity's Commission's guidance on public benefit in exercising their powers or duties.

Achievements and performance

Education, Training and Benchmarking

The Council through education group continues to work on updating the education syllabus, support to students and availability of the exams. Accessibility and recognition in the market being the priority.

The investment which was made in digital platforms continues to allow us to be more agile in delivering examinations to both existing students and new candidates, removing barriers to entry such as physical distance from exam centres. The education working group continue to explore the technology required to deliver the practical examinations and re-accreditations through digital platforms. Use of the online assessment platform is being extended to include revision support and this was further expanded in 2022.

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The institute continues to make use of the technology developed and implemented during the pandemic to deliver CPD on the website and other online channels. Whilst embracing the advances in technology made in the delivery of CPD online, Council are keen to return to face to face engagement with members when possible. However where it can be accommodated there will be a hybrid approach to make the resources as accessible as possible to all members.

The number of members using the CPD database, MyCareerPath continues to grow steadily. The platform allows members to upload and track their CPD and to create and download reports to evidence the work they completed if necessary. There is also a facility to audit adherence to membership CDP requirements which will be an area for focus in the coming years.

(VDA) Benchmarks. The IAEA/IMI strategy document has been subject to a thorough review in collaboration with the IMI to ensure the validation process delivers the desired outcomes to the highest standards. In line with the drive to use technology for efficiency, several parts of the process have been automated. This work with the IMI demonstrates the Institute's standing in the Sector.

The Appropriately Qualified Person (AQP) competency assessment continues to use remote invigilation which allows for more frequent availability of assessments. Re-accreditation will begin during 2023.

Public Relations and Marketing

Due to the death of the Queen the conference and 90th year anniversary event scheduled for Saturday 17th September 2022, was unfortunately cancelled and rescheduled for Saturday 20th May 2023.

The Institute continues to provide the independent validation of the IMI Vehicle Damage Assessments

It is hoped that all of the regions will be back coordinating their own events soon. It is the intention that these physical events will continue to be supplemented by digital events going forward due to their popularity.

Council members have been actively raising the profile of the Institute with a range of bodies, and a number of key events were attended in 2022 to raise the profile and awareness of the institute.

These included; Fix Autos Conference, BIBA Conference , Bodyshop Awards and the ABP Night of Knights event.

During 2022 work continued to trademark the Institute name and logo to protect the intellectual property rights of the Institute and protect the reputation in the industry. This work was completed in 2022 and will allow the Institute's protection against inappropriate use of the name or logo to be more vigorously pursued.

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Year ended 31 December 2022

Financial review

Results for the year

The principal source of income to the charity continues to be member subscriptions, supplemented by its education activities and that generated from the provision of advertising space within the members bi-monthly journal; as indicated below there has been a shift in the income for 2022. The Council closely monitor the Institute finances to ensure there is continued sustainability.

The result of our activities, the deficit for the year 2022 amounted to £24,049 (2021: surplus £5,338). The deficit was mainly due to a drop in the membership subscriptions and the fact that the Institute was once again active in raising its profile and awareness by sponsoring and attending industry events. All activities relate to unrestricted funds. A long-term objective for the Institute has been the consolidation of the financial base, building on the achievements of previous years and to prepare for any possible decline in membership and other income due to the re-structuring within the automotive and insurance sectors.

With AQP Re-accreditation due to be required later in the year 2023 should start to see an increase in income from this area.

Reserves policy

The Council has reviewed the charity's requirements for reserves taking account of the identified risks to the organisation. The policy has been reviewed by the council and in the existing economic climate it was agreed a policy should be adopted whereby the unrestricted funds of the charity should represent a minimum of two years of its annual expenditure to support working capital requirements such that in the event of a significant fall in its current income levels and/or membership; thereby, the Institute could continue to support the membership.

The Council does not anticipate a significant change in the company's charitable activities for the forthcoming year and consequently considers that the profile of expenditure in the past two years is a reasonable guide to assessing the charity's requirements. On that basis it is considered the charity should have a target reserve level of between £475,000 and £525,000.

The current level of free reserves amounts to £621,413 (excluding fixed assets) (2021: £642,867), which is still above this prescribed limit. However, as the Institutes membership has decreased, it was considered fortunate that additional reserves were held last year to both offset any drop in income and to allow us to continually invest in initiatives to increase membership in other geographies and deliver high quality services to members. This has been acknowledged by the Council and the ongoing Business Review will consider the changing structures in the automotive sector and the position of the Institute.

Council will consider augmenting the service arrangements to members and the resources of the Institute to assist in maintaining a satisfactory level of reserves. There is a continuing expectation that due to the additional resource required for the updating of our infrastructure, implications of the slow recovery of the global economy post pandemic, our reserves should remain higher than target levels. Council will continue to exercise sound judgement and prudence when considering additional expenditure.

Council will continue to use reserves above the target levels to invest in educational resources for both existing and new members as well as promotion of the institute in line with our aims and objectives. Council will exercise prudence in investing reserves and endeavour to balance this with close monitoring of the recovery on both the domestic and wider global economies.

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Investment powers

In case the Institute shall take or hold any property which may be subject to any trusts the Institute shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

Plans for the future

Medium and long term strategy

In 2022 the Council continued to refine the Strategic Review and make recommendations for the rolling 5 year plan. The Institutes IT infrastructure (membership database and website) underwent significant development in 2020 and provides the institute with the capability to develop educations support and communications with both student members and qualified members. This development work put the institute in a strong position to operate during the continued restrictions faced until early 2022. Now that all the restrictions have been removed. Council will continue to seek ways to improve on the IT infrastructure developments complete so far to ensure they can be leveraged to the advantage of the Institute.

The Council in reviewing the Institute's 5 year plan, have agreed that the educational material and processes require further ongoing review and update to maintain our high standards. The education working group are continuing to undertake a fundamental review of the learning materials and syllabus to explore the possibility of modularising the learning materials and the adoption of online re-accreditations for practical exams. This review is ongoing.

Council invested in digital exam capability and CPD events which was rolled out in 2020 and continued to be a valuable resource in 2022. This will be continued during 2023 and may require further resource, it may be necessary to engage external resources to assist in this, and this is to be funded from the excess free reserves referred to in the above reserves policy.

Council continued to support the decision to not hold physical regional events until such time as the safety of speakers, members and guests is possible. With this in mind plans were started to hold an event to celebrate the 90th anniversary of the institute in the latter half of 2022. The 90th celebrations were planned to take place in September 2022 and included both a conference and awards dinner. Due to the death of the Queen however the event has been re-scheduled for 20th May 2023.

Council have acknowledged the accessibility provided by delivering events online and the demand for a hybrid approach going forward, this will be included in any plans for CPD activity that had traditionally been delivered at physical events across the regions. This may require investment in resources in the future to ensure we deliver professional content. Making the content available to all members across different platforms is a priority.

The engagement with OfQual regarding recognition as an awarding body continues and we have reached out to case officer to open lines of communication in anticipation of completion of the legal review of the governance documentation. The pursuit of this objective and the recognition that it will bring will enhance the member qualifications and status and will help attract new members both domestically and internationally. The need to pursue this objective has been reinforced in recent discussions with potential international regions.

The overall objectives will be to continue to provide an Institute that benefits the membership, achieves the principal objects, provides a clear public benefit and remains strongly independent.

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Year ended 31 December 2022

Structure, governance and management

Governing document and constitution

The company (registration number 0350568), which is limited by guarantee and has no share capital, is governed by its Memorandum and Articles of Association. It is a registered charity under the Charity Commission (charity registration number 273452).

Nothing contained within the Memorandum of Association shall be deemed to authorise the Institute to engage in any trading activities on a commercial scale.

The objects of the Institute shall not extend to the negotiation of relations between workers and employers or organisations of workers and organisations of employers.

The income and property of the Institute, whence so ever derived shall be applied solely towards the promotion of the objects of the Institute and no proportion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Institute.

Organisation

The organisation is governed by a Council of up to thirteen Corporate Members elected by the membership and a Council Appointed Finance Officer; there is an Executive to progress matters approved by Council. There are three Groups, appointed by Council to provide policy guidance.

Regions operate throughout the UK and Eire; each having their own elected officers and committee, who must ensure that their local affairs meet the requirements of the Institute Memorandum of Association and Code of Conduct. The Institute periodically awards grants to those Regions that submit valid claims of expenditure in relation to its activities in promotion of its charitable objects.

Recruitment and appointment of Trustees

Trustees are nominated for appointment to the Council annually by Corporate Members. Nominated candidates are then formally elected at the Annual General Meeting.

Risk management

The Council is responsible for the management of the business risks faced by the charity. Business risks are identified, assessed and controls established throughout the year and discussed at the Council meetings. A risk register has been in operation since 2017, this register is updated on an ongoing basis and is reviewed by Council at each meeting to ensure that there are adequate control processes to manage risk.

The recovery post Covid-19 Pandemic was initially strong, but global markets are turbulent and this is still a very present and real risk at the time of authoring this report.

The economic environment has been impacted since the pandemic, supply chain delays and inflation are still a concern. These factors are influencing the cost of motor claims which is forcing insurers and other industry stakeholders to rethink how they operate. The Institutes membership largely provides services relating to vehicle collision damage and damage repair and the impact of claims inflation on these roles is unclear.

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To assess the level of impact that claims inflation may have on the industry which employs or uses the services of the Institute members, we have factored in multiple scenarios regarding membership levels into our rolling 5 year business plan. This scenario planning helps Council assess the possible effects in the medium to long term.

Council are pleased to report that the numbers of Students registered in Technical University Dublin in 2022 have increased on the 2021 numbers which were very low due to the effects of Covid-19 Pandemic.

Benevolent Fund

Members of the Institute may voluntarily donate an additional payment with their annual subscriptions into The Institute of Automotive Engineer Assessors Benevolent Fund. This fund is a registered charity (registration number 1065102), established by a Declaration of Trust. The purpose of the Fund is the relief of poverty amongst past and present members of the Institute of Automotive Engineer Assessors or their dependants. The Benevolent Fund Trustees are appointed separately to Council members and have delegated the administration of the Fund to the Institute. The assets and liabilities of the fund are consequently not recorded within the financial statements of the Institute. At 31 December 2022 the fund had accumulated reserves of £72,792 (2021: £71,681).

Reference and administration

Legal status

The company's registered name is The Institute of Automotive Engineer Assessors. Its company registration number is 03505568 and its charity registration number is 273452. The address of the registered office and the names of Trustees/Directors are listed on page 1 of this report.

The Council members

The Council members who served the Charity during the period are listed on page 1. Council members are appointed in accordance with the Company's Memorandum and Articles of Association.

The Company is limited by guarantee and no council member has a beneficial interest in the capital of the charitable company. All Council members are directors of the Company.

Statement of Council's Responsibilities

The trustees, who are also the directors for the purposes of company law, are responsible for preparing the Report of the Trustees 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 period that 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 those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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Year ended 31 December 2022

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

We, the trustees of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
Pennyroyal Court
Station Road
Tring
HP23 5QY

Signed by order of the trustees

R Warrington
Company Secretary

Approved by the trustees on

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Independent Auditors' Report to the Members

Year ended 31 December 2022

Opinion

We have audited the financial statements of The Institute of Automotive Engineer Assessors ('the charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Statement of Financial Position, and notes to the financial statements, including 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 December 2022 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

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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Independent Auditors' Report to the Members

Year ended 31 December 2022

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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; 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 exemption in preparing the Trustees' Annual Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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Independent Auditors' Report to the Members

Year ended 31 December 2022

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance, and enquiring as to any known instances of non-compliance or suspected non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes and the charity's risk register.
- We considered the risk of fraud through management override and included a review of any unusual journal entries in our audit approach. We also reviewed the charity's procedures for recognition of income and authorisation of expenditure and corroborated these controls with sample-based testing of source records and analytical review procedures.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

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Independent Auditors' Report to the Members

Year ended 31 December 2022

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

8 The Old Yard
Lodge Farm Business Centre
Wolverton Road
Castlethorpe
Milton Keynes MK19 7ES

Theresa-Anne Warren FCA
(Senior Statutory Auditor)
For and on behalf of
G P Financial Management Limited
Chartered Accountants & Registered Auditors

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The Institute of Automotive Engineer Assessors

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Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 December 2022

	Notes	Total Funds (unrestricted) 2022		Total Funds (unrestricted) 2021	
		£	£	£	£
INCOME AND ENDOWMENTS					
Charitable activities					
Members subscriptions			142,686		147,756
FIEA subscriptions			12,550		13,370
Tuition course and exam fees			12,510		12,530
Salvage code income			18,749		14,820
Conference income			5,469		425
Fundraising events			-		-
Other trading activities					
Advertising – journal			28		2,019
Investments					
Bank interest received			1,076		117
Other					
Other charitable income			3,277		4,880
TOTAL INCOME			<u>196,345</u>		<u>195,917</u>
EXPENDITURE					
Raising funds	2	22,090		2,002	
Charitable activities	3	<u>198,304</u>		<u>188,577</u>	
TOTAL EXPENDITURE			<u>220,394</u>		<u>190,579</u>
NET MOVEMENT IN FUNDS	1		(24,049)		5,338
Total funds brought forward			652,230		646,892
Total funds carried forward			<u>628,181</u>		<u>652,230</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The accounting policies and notes on pages 15 to 21 form part of these financial statements.

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Statement of Financial Position

31 December 2022

		2022		2021
	Note	£	£	£
Fixed assets				
Intangible fixed assets	6		908	5,237
Tangible fixed assets	7		3,381	4,360
			<u>4,289</u>	<u>6,884</u>
Current assets				
Debtors	8	45,262		54,141
Cash at bank and in hand		638,774		653,899
		<u>684,036</u>		<u>700,925</u>
Creditors: amounts falling due within one year	9	<u>60,144</u>		<u>38,637</u>
Net current assets			<u>623,892</u>	<u>645,346</u>
Net assets			<u>628,181</u>	<u>652,230</u>
Unrestricted Funds	10			
General fund			625,702	649,751
Designated fund			2,479	2,479
Net assets			<u>628,181</u>	<u>652,230</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the Council on the and are signed on their behalf by:

.....
Signature

.....
Print Name

Member of the Council

Company Number: 0350568

The accounting policies and notes on pages 15 to 21 form part of these financial statements.

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Accounting Policies

Year ended 31 December 2022

General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Pennyroyal Court, Station Road, Tring, Hertfordshire HP23 5QY.

Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

Going concern

The Trustees have reviewed the charity's forecasts, particularly in light of the Covid-19 outbreak and the recovery therefrom. Whilst it is anticipated that there may be some reduction to income streams of the charity in the short to medium term, as outlined in the reserves policy on pages 4 and 5 of the Trustees report, the charity's current level of free reserves is considered to be sufficient to enable the charity to fulfil its obligations and continue its charitable activities for the foreseeable future. The Trustees therefore consider that the application of the going concern concept is appropriate for the preparation of these financial statements.

Cash flow statement

The Council has taken advantage of the exemption in the Charities SORP (FRS102) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Fund accounting

Unrestricted funds comprise the accumulated surplus or deficit on the income and expenditure account. They are available for use at the discretion of the Council in furtherance of the general objectives of the charity.

Income

Donations are accounted for when received. All other income is accounted for on an accruals basis. The members' subscription period coincides with the financial year of the charity. As a consequence, any subscriptions received in relation to the following financial year are deferred and recognised in that year. Deferred subscription balances are recorded in note 9.

Regions

The Institute's affiliated regions operating throughout the UK, are recognised as branches of the Institute in these financial statements.

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Accounting Policies *(continued)*

Year ended 31 December 2022

Expenditure

Expenditure is accounted for on an accruals basis as a liability is incurred.

Expenditure on raising funds includes the costs associated with the annual charitable dinner, together with other functions and general PR activities.

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its member beneficiaries. This being the core activity of the charity, it includes all of the charity's support costs.

Other management and administration expenses include those costs associated with meeting the constitutional and statutory requirements of the charity such as audit fees and costs linked to the strategic management of the charity.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Digital learning platform	- 33.3% straight line
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Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	- 25% reducing balance
Office furniture & equipment	- 15% reducing balance

No depreciation is provided on the Regalia assets. The Council recognises that this treatment contravenes Schedule 1 of the Small Companies and Groups (Accounts and Directors Report) Regulations 2008, but considers that the absence of such a provision is immaterial to the reported results and net assets of the charitable company.

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Accounting Policies *(continued)*

Year ended 31 December 2022

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Taxation

No provision has been made for taxation as the company's charitable status renders it exempt from UK direct taxation.

Limited by guarantee

The company is limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £100.

The company has obtained the consent of the Registrar of Companies to be exempt from the requirement to use the word "Limited" in its name.

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Notes to the Financial Statements

Year ended 31 December 2022

1. Net movement in funds

	2022 £	2021 £
Net movement in funds is stated after charging:		
Auditors remuneration		
- Statutory audit services	2,300	2,007
- Other assurance services	2,454	2,572
Depreciation	430	548
Amortisation	2,165	2,164

2. Raising funds

	2022 £	2021 £
Public relations	22,090	2,002
Fundraising events	-	-
	<u>22,090</u>	<u>2,002</u>

3. Charitable activities

	2022 £	2021 £
Education and training	45,779	47,895
Salvage code exam and project costs	3,508	2,367
Standards development	-	6,360
Benchmarking verification costs	2,010	1,975
Conference costs	4,399	(859)
Support costs	57,300	48,318
FIEA costs	9,536	8,937
Regional/branch expenditure	167	25
Management and administration costs	70,112	70,651
Audit fees	2,300	2,007
Travel and council members expenses:	3,193	901
	<u>198,304</u>	<u>188,577</u>

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

4. Total expenditure

	Depreciation		Other costs		Total	
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
Direct charitable expenditure	2,595	2,712	120,104	112,306	122,699	115,018
Fundraising and publicity	-	-	22,090	2,002	22,090	2,002
Management and administration	-	-	75,605	73,559	75,605	73,559
	<u>2,595</u>	<u>2,712</u>	<u>217,799</u>	<u>187,867</u>	<u>220,394</u>	<u>190,579</u>

5. Employment costs

The charity had no employees during the current or preceding year.

The members of the Council received no remuneration during the year. Expenses totalling £3,469 (2021: £1,445) were reimbursed to 6 (2021:3) Council members.

6. Intangible fixed assets

	Digital Learning Platform £	Total £
Costs		
At 1 January 2022	6,500	6,500
Additions	-	-
At 31 December 2022	<u>6,500</u>	<u>6,500</u>
Amortisation		
At 1 January 2022	3,427	3,427
Charge for the year	2,165	2,165
At 31 December 2022	<u>5,592</u>	<u>5,592</u>
Net Book Values		
At 31 December 2022	<u>908</u>	<u>908</u>
At 31 December 2021	<u>3,073</u>	<u>3,073</u>

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

7. Tangible fixed assets

	Computer Equipment	Office Furniture and Equipment	Regalia	Total
	£	£	£	£
Costs				
At 1 January 2022	21,715	6,111	1,671	29,497
Additions	-	-	-	-
At 31 December 2022	<u>21,715</u>	<u>6,111</u>	<u>1,671</u>	<u>29,497</u>
Depreciation				
At 1 January 2022	20,628	5,058	-	25,686
Charge for the year	272	158	-	430
At 31 December 2022	<u>20,900</u>	<u>5,216</u>	<u>-</u>	<u>26,116</u>
Net Book Values				
At 31 December 2022	<u>815</u>	<u>895</u>	<u>1,671</u>	<u>3,381</u>
At 31 December 2021	<u>1,087</u>	<u>1,053</u>	<u>1,671</u>	<u>3,811</u>

8. Debtors

	2022 £	2021 £
Trade debtors	1,831	3,205
Other debtors	1,899	11,955
Prepayments and accrued income	41,532	38,981
	<u>45,262</u>	<u>54,141</u>

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade Creditors	10,373	2,281
Other tax and social security	-	-
Other creditors	1,317	3,209
Subscriptions in advance	46,954	30,147
Accruals and deferred income	1,500	3,000
	<u>60,144</u>	<u>38,637</u>

Included in other creditors is £740 (2021: £2,632) due to the Institute of Automotive Engineer Assessors Benevolent Fund, which is administered by the charity. The amount represents the net balance of donations received by the charitable company but not transferred at 31 December 2022 on behalf of that fund.

The Institute of Automotive Engineer Assessors

A Company Limited By Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

10. Reconciliation of movement in total funds

	Unrestricted Funds		Unrestricted Funds	
	General	Designated	General	Designated
	2022	2022	2021	2021
	£	£	£	£
Opening total funds	649,751	2,479	644,413	2,479
Net income/(deficit) for the financial year	(24,049)	-	5,338	-
Total funds carried forward	<u>625,702</u>	<u>2,479</u>	<u>649,751</u>	<u>2,479</u>

All assets of the charity represent unrestricted funds.

The designated fund represents amounts previously received as unrestricted income earmarked for the delivery of learning materials and payment of other Institute fees for the progression of membership of employees of the Co-Operative Group.

11. Taxation

The Institute has charitable status and is therefore exempt from corporation tax.

12. Related party transactions

There were no related party transactions such that require disclosure for the year ended 31 December 2022.