

AIM QUALIFICATIONS AND ASSESSMENT GROUP
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2019

Registered Company Number: 05038056 (England and Wales)
Registered Charity Number: 1103300



AIM QUALIFICATIONS AND ASSESSMENT GROUP

COMPANY INFORMATION

FOR THE YEAR ENDED 31 JULY 2019

Directors / Trustees	M L Cooper P Riley P Harman S Hopewell S Martin T Flowers G Willmore I G Bond L J Guyatt R Webber-Jones L Atkin J Smith
Chief Executive Officer	L Wyatt
Company secretary	D Marsh
Charity number	1103300
Company number	05038056
Registered office	3 Pride Point Drive Pride Park Derby Derbyshire DE24 8BX
Auditors	Baldwins Audit Services Unit N Ivanhoe Business Park Ashby-de-la-Zouch LE65 2AB
Bankers	Lloyds TSB Plc Irongate Derby DE1 3GA

AIM QUALIFICATIONS AND ASSESSMENT GROUP
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

	Page
Trustees' Annual Report	1-4
Trustees' Responsibilities Statement	5
Independent Auditor's Report	6-8
Statement of Financial Activities	9
Balance Sheet	10-11
Statement of Cash Flows	12
Notes to the Financial Statements	13-26

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2019

The trustees (who are also directors of Aim Qualifications and Assessment Group for the purposes of company law), present their report and audited accounts for the year ended 31 July 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, 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 2016)".

Over the past few years AIM Awards has grown and its portfolio expanded. Now, on the eve of a post-16 education reform, AIM Awards is taking a proactive stance to ensure that it is strategically aligned to deliver against the new framework. After an extensive period of consultation, AIM Awards is strengthening its offer, growing the team and repositioning itself to ensure the portfolio is robust and relevant to the needs of future learners, centres and industry. As from the 31 August 2019, AIM Awards will become AIM Qualifications and Assessment Group, shortened to AIM for simplicity.

OBJECTIVES AND ACTIVITIES

Charitable objects

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
- 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:

- Increased registrations by 6%
- Increased income by 37%
- Approved 46 new centres
- Maintained its low risk rating by QAA for our Access to HE provision
- Gained ESFA approval for standards

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2019

FINANCIAL REVIEW

Reserves policy

There was an excess income of over expenditure for the year of £410,772. The Charity has total unrestricted reserves at the 31st July 2019 of £3,180,113 of which £250,000 has been designated. This leaves £2,930,113 general reserves of which free reserves total £2,109,002.

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.

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.

PLANS FOR FUTURE PERIODS

- To increase EPA creative portfolio
- To build upon international partnerships
- To grow e-learning resources
- To Launch the new website and brand

DONATIONS

Charitable donations were made during the year totaling £650.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2019

Organisational structure (continued)

The directors/trustees who have served since 1 August 2018 were:

M L Cooper
P Riley
P Harman
S Hopewell
S Martin
T Flowers
G Willmore
I G Bond
L J Guyatt
R Webber-Jones
L Atkin
J Smith

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.

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).

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.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

**TRUSTEES' ANNUAL REPORT
(INCLUDING DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 JULY 2019

Fundraising policy statement

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

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.

Auditors

Baldwins Audit Services are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

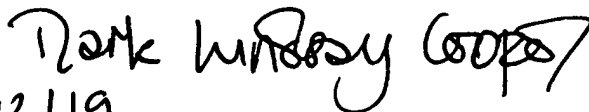
Small company provisions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies provided by Part 15 of the Companies Act 2006.

Registered office:
3 Pride Point Drive
Pride Park
Derby
DE24 8BX

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

M L Cooper



Dated: 4/12/19

AIM QUALIFICATIONS AND ASSESSMENT GROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 JULY 2019

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of AIM Qualifications and Assessment Group for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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 'charitable company') for the year ended 31 July 2019 set out on pages 9 to 26. 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 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the trustees' report included in the 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 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.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

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 Trustee's Report, which includes the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report included within the Trustee's 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report included within the Trustee's 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 directors' 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 Trustee's Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



**David Baldwin (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services**

Statutory Auditor

4/12/19
.....

Unit N
Ivanhoe Business Park
Ashby-de-la-Zouch
LE65 2AB

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

FOR THE YEAR ENDED 31 JULY 2019

		Unrestricted funds	Unrestricted funds
		2019 £	2018 £
Income from:	Notes		
Charitable activities	2	2,738,406	1,969,123
Investments	3	10,723	7,312
Total income		2,749,129	1,976,435
Expenditure on:			
Charitable activities	4	2,338,333	1,719,648
Total expenditure		2,338,333	1,719,648
NET INCOME FOR THE YEAR		410,796	256,787
Re-measurement loss on defined benefit pension plan		(24)	(85)
NET MOVEMENT IN FUNDS		410,772	256,702
Total funds brought forward		2,769,341	2,512,639
TOTAL FUNDS CARRIED FORWARD		3,180,113	2,769,341

All of the charity's activities during 2019 and 2018 were in respect of unrestricted funds.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

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

The notes on pages 13 to 26 form part of these financial statements.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

BALANCE SHEET

AT 31 JULY 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	9	58,960	3,053
Tangible assets	10	762,151	762,564
		<hr/>	<hr/>
		821,111	765,617
CURRENT ASSETS			
Debtors	11	770,576	564,557
Cash at bank and in hand		847,115	618,715
Current investments	12	1,000,000	1,000,000
		<hr/>	<hr/>
		2,617,691	2,183,272
CREDITORS			
Amounts falling due within one year	13	(258,689)	(174,040)
		<hr/>	<hr/>
NET CURRENT ASSETS		2,359,002	2,009,232
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,180,113	2,774,849
		<hr/>	<hr/>
NET ASSETS EXCLUDING PENSION LIABILITY		3,180,113	2,774,849
Defined benefit pension scheme liability	17	-	(5,508)
		<hr/>	<hr/>
NET ASSETS		3,180,113	2,769,341
		<hr/>	<hr/>
CHARITY FUNDS			
Unrestricted funds	15		
- Designated funds		250,000	250,000
- General reserves		2,930,113	2,519,341
		<hr/>	<hr/>
TOTAL CHARITY FUNDS		3,180,113	2,769,341
		<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

BALANCE SHEET (CONTINUED)

AT 31 JULY 2019

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 4/12/19 and were signed on its behalf by:

M L Cooper –Trustee



The notes on pages 13 to 26 form part of these financial statements.

Registered Company Number: 05038056

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF CASH FLOWS

AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	20		316,628		195,299
Investing activities					
Purchase of tangible and intangible fixed assets		(98,951)		(16,038)	
Interest received		10,723		7,312	
Net cash used in investing activities			<u>(88,228)</u>		<u>(8,726)</u>
Net increase/(decrease) in cash and cash equivalents			228,400		186,573
Cash and cash equivalents at beginning of period			<u>618,715</u>		<u>432,142</u>
Cash and cash equivalents at end of period			<u>847,115</u>		<u>618,715</u>
Cash and cash equivalents consists of:					
Cash at bank and in hand			<u>847,115</u>		<u>618,715</u>

The notes on pages 13 to 26 form part of these financial statements.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1. ACCOUNTING POLICIES

Company 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 DE24 8BX. At the end of the year there were twelve 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.

Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2016. The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the accounts, 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 accounts.

Incoming resources

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 split between registration (recognised at the point of registration) and assessment (recognised when students achieve their Gateway).

Deferred income

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

Resources expended

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.

Intangible fixed assets

Website assets are amortised over the estimated useful life of the asset of 3 years. Intellectual Property is amortised over the estimated useful life of the asset of 5 years.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life. All items of a capital nature over £2,500 are capitalised.

Freehold property	- 2% on cost
Fixtures and fittings	-25% on cost
Computer equipment	-33% on cost
Plant and machinery	-15% reducing balance

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets and intangible 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.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

Cash and cash equivalents

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1. ACCOUNTING POLICIES (continued)

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price and are subsequently carried at amortised cost less impairment.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price and are subsequently carried at amortised cost.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities.

Derecognition of financial liabilities

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

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.

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.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1a. 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.

2. INCOME FROM CHARITABLE ACTIVITIES

	2019 £	2018 £
Registration and assessment fees	2,738,406	1,969,123
	<hr/>	<hr/>
	2,738,406	1,969,123
	<hr/>	<hr/>

3. INCOME FROM INVESTMENTS

	2019 £	2018 £
Deposit account interest	10,723	7,312
	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	2019	2018
	£	£
Staff and consultancy costs	1,659,284	1,268,534
Premises costs	42,235	38,005
IT costs	434,475	252,523
Depreciation	43,458	24,163
Sundry expenses	146,181	111,220
Governance costs (note 5)	12,700	25,203
	<hr/>	<hr/>
	2,338,333	1,719,648
	<hr/>	<hr/>

5. GOVERNANCE COSTS

	2019	2018
	£	£
Staff costs	6,000	6,000
Legal fees	2,627	14,530
Auditor's remuneration	4,073	4,673
	<hr/>	<hr/>
	12,700	25,203
	<hr/>	<hr/>

6. NET INCOME

Net income is stated after charging/(crediting):

	2019	2018
	£	£
Auditor's remuneration	4,073	4,673
Depreciation – owned assets	23,930	21,086
Operating lease payments	8,306	9,260
Amortisation – intangible assets	19,527	3,077
	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

7. DIRECTORS' AND KEY MANAGEMENT PERSONNEL

There were no trustees' remuneration or other benefits for the year ended 31 July 2019 nor for the year ended 31 July 2018. The key management personnel comprise the Chief Executive Officer and the trustees. The total employment benefits of the key management personnel were £71,317 (2018: £68,839).

4 trustees received travel expenses during the year totalling £846 (2018: £579 4 trustees).

8. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	1,088,780	866,158
Social security costs	92,835	75,373
Defined benefit pension costs	36,753	31,369
Defined contribution pension costs	36,952	33,632
	<hr/>	<hr/>
	1,255,320	1,006,532
	<hr/>	<hr/>

The average monthly number of employees (excluding trustees) during the year was as follows:

	2019	2018
Management	5	5
Administrative staff	36	25
Moderators	6	8
	<hr/>	<hr/>
	47	38
	<hr/>	<hr/>

There is one employee whose emoluments were greater than £60,000 and accruing benefits under a defined benefit scheme (£8,965 of pension contributions were made on their behalf). In 2018 there was one.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

9. INTANGIBLE FIXED ASSETS

	Intellectual Property £	Website Development £	Totals £
COST			
At 1 August 2018	-	67,079	67,079
Additions	65,000	10,434	75,434
	<hr/>	<hr/>	<hr/>
At 31 July 2019	65,000	77,513	142,513
	<hr/>	<hr/>	<hr/>
AMORTISATION			
At 1 August 2018	-	64,026	64,026
Charge for year	13,000	6,527	19,527
	<hr/>	<hr/>	<hr/>
At 31 July 2019	13,000	70,553	83,553
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 July 2019	52,000	6,960	58,960
	<hr/>	<hr/>	<hr/>
At 31 July 2018	-	3,053	3,053
	<hr/>	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 August 2018	780,108	22,936	-	27,869	830,913
Additions	10,467	8,487	3,670	893	23,517
Disposals	-	(14,692)	-	-	(14,692)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2019	790,575	16,731	3,670	28,762	839,738
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1 August 2018	30,173	16,980	-	21,196	68,349
Charge for year	15,811	2,167	1,222	4,730	23,930
Elimination on disposal	-	(14,692)	-	-	(14,692)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2019	45,984	4,455	1,222	25,926	77,587
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 31 July 2019	744,591	12,276	2,448	2,836	762,151
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2018	749,935	5,956	-	6,673	762,564
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	731,303	524,533
Prepayments	39,273	40,024
	<hr/>	<hr/>
	770,576	564,557
	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

12. CURRENT INVESTMENTS

During the previous year the charity placed cash into a 32 day notice account. The total amount held in this account at the balance sheet date was £252,422 (2018 - £250,520).

During the year the charity placed cash into short term deposits accounts with original maturity dates of more than 3 months but less than 12 months. The total amount held in such deposit accounts at the balance sheet date was £1,000,000 (2018 - £1,000,000) at an average interest rate of 1.09%. The maturity dates and amounts are as follows:

Maturity date	Amount
16 th August 2019	£250,000
21 st February 2020	£250,000
11 th June 2020	£250,000
19 th June 2020	£250,000

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	56,189	41,085
Social security and other taxes	27,941	22,079
Other creditors	12,250	10,663
Accrued expenses	162,309	100,213
	<hr/>	<hr/>
	258,689	174,040
	<hr/>	<hr/>

Included within other creditors is £12,250 (2018: £10,663) in respect of outstanding pension contributions.

14. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Payable:		
No later than one year	8,997	8,996
Between two and five years	-	8,997
	<hr/>	<hr/>
	8,997	17,993
	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

15. MOVEMENT IN FUNDS

	At 1.8.18 £	Net movement in funds £	At 31.7.19 £
Unrestricted funds			
Designated funds – Cessation fund	250,000	-	250,000
General reserves	2,519,341	410,772	2,930,113
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	2,769,341	410,772	3,180,113
	<hr/>	<hr/>	<hr/>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Transfers & other gains/losses £	Movement in funds £
Unrestricted funds				
Designated funds – Cessation fund	-	-	-	-
General reserves	2,749,129	(2,338,333)	(24)	410,772
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS 2019	2,749,129	(2,338,333)	(24)	410,772
	<hr/>	<hr/>	<hr/>	<hr/>

	At 1.8.17 £	Net movement in funds £	At 31.7.18 £
Unrestricted funds			
Designated funds – Cessation fund	-	250,000	250,000
General fund	2,512,639	6,702	2,519,341
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS 2018	2,512,639	256,702	2,769,341
	<hr/>	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

15. MOVEMENT IN FUNDS (CONTINUED)

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Transfers & other gains/losses £	Movement in funds £
Unrestricted funds				
Designated funds – Cessation fund	-	-	250,000	250,000
General fund	1,976,435	(1,719,648)	(250,085)	6,702
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS 2018	1,976,435	(1,719,648)	(85)	256,702
	<hr/>	<hr/>	<hr/>	<hr/>

The designated cessation fund has been created to set aside funds to safeguard the interests of centres and learners in the event that the charity is unable to continue to trade.

16. ANALYSIS OF NET ASSETS (BETWEEN FUNDS)

	Tangible / Intangible fixed assets £	Other net assets £	Total 2019 £
Designated funds	-	250,000	250,000
Unrestricted funds	821,111	2,109,002	2,930,113
	<hr/>	<hr/>	<hr/>
Total reserves	821,111	2,359,002	3,180,113
	<hr/>	<hr/>	<hr/>

	Tangible / Intangible fixed assets £	Other net assets £	Total 2018 £
Designated funds	-	250,000	250,000
Unrestricted funds	765,617	1,753,724	2,519,341
	<hr/>	<hr/>	<hr/>
Total reserves	765,617	2,003,724	2,769,341
	<hr/>	<hr/>	<hr/>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

17. 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 £36,952 (2018 - £33,632).

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. Contribution rates will increase 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 £36,753 (2018: £31,369).

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.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

18. RELATED PARTY TRANSACTIONS

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:-

Trustee	Relationship	2019 Income £	2018 Income £	2019 Debtor £	2018 Debtor £
P Riley	Director of NDA Foundation Limited	80,354	68,105	71,147	14,670
S Hopewell	Employee of Derby College	19,184	21,086	11,133	-
S Martin	Employee of ATT	57,234	49,719	8,039	14,008
I Bond	Employee of Inspire	26,223	12,724	3,250	692
L Guyatt	Employee of Derby College	19,184	21,086	11,133	-
	Employee of Walsall Community College	-	15,609	-	2,780
R Webber-Jones	Employee of Sheffield College	19,890	21,086	1,645	-
L Atkin	Employee of Leicester College	122,629	68,684	16,576	7,588
E Bangs-Jones	CEO Anglia Examinations	-	103,395	-	93,359

Also during the year the charity made purchases from organisations in which the trustees were involved as follows:

Trustee	Relationship	2019 Expenditure	2018 Expenditure	2019 Creditor	2018 Creditor
M Cooper	Consultant	5,580	3,407	-	2,787
G Willmore	Consultant	4,268	3,377	-	1,653

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

19. COMPANY STATUS

The charity is a company limited by guarantee, not having a share capital. In the event of a wind up of the company each member agrees to contribute a maximum of £10.

20. CASH GENERATED FROM OPERATIONS	2019	2018
	£	£
Net income for the year	410,796	256,787
Adjustments for:		
Investment income recognised in profit or loss	(10,723)	(7,312)
Depreciation of tangible fixed assets	23,930	21,086
Depreciation and impairment of intangible fixed assets	19,527	3,077
Pension deficit payments	(5,532)	(5,542)
Movements in working capital:		
(Increase)/decrease in debtors	(206,019)	(145,333)
Increase/(decrease) in creditors	84,649	72,536
Cash generated from operations	316,628	195,299

21. FINANCIAL INSTRUMENTS

2019	2018
£	£

The carrying amounts of the charity's financial instruments are as follows:

Financial assets

Debt instruments measured at amortised cost:

Trade debtors	731,303	524,553
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Financial liabilities

Measured at amortised cost

Trade creditors	56,189	41,085
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