

Charity Registration No. 1103300

Company Registration No. 05038056 (England and Wales)

AIM QUALIFICATIONS AND ASSESSMENT GROUP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

AIM QUALIFICATIONS AND ASSESSMENT GROUP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Atkin	
	C Barratt	
	I G Bond	
	D A Clarkson	
	T Flowers	
	L J Gee	
	F Grant	
	P Harman	
	M Haroon	(Appointed 16 September 2021)
	J F Hodder	(Appointed 4 March 2021)
	S Martin	
	G Potter	
	P Riley	
	A E Smith	
Chief Executive	L Wyatt	
Secretary	Ms D Marsh	
Charity number	1103300	
Company number	05038056	
Registered office	3 Pride Point Drive Pride Park Derby Derbyshire DE24 8BX	
Auditor	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP	
Bankers	Lloyds TSB Plc Irongate Derby DE1 5GA	

AIM QUALIFICATIONS AND ASSESSMENT GROUP

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AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The trustees present their report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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 2019)".

Objectives and activities

The objects for which the Charity is established are the advancement of learning, education and training of the public in the United Kingdom or such other parts of the world as the trustees may from time to time deem fit 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:

- Approved 31 new centres
- Successfully delivered the Extraordinary Framework (ERF) and maintained its low-risk rating by QAA for our Access to HE provision
- Increased the number of EPA standards by 92%
- Increased the number of apprentices assessed by 176%
- Successfully implemented the Vocational and technical qualifications contingency framework (VCRF)

Financial review

There was an excess of income over expenditure for the year of £396,525. The Charity has total unrestricted reserves at the 31 July 2021 of £3,501,663, of which £250,000 has been designated. This leaves £3,251,663 general reserves of which free reserves total £2,502,297.

Reserves policy

The reserves policy was reviewed during the year which took account of future income streams, committed expenditure and a risk assessment. It was concluded that the charity needs to maintain free reserves to between 9 and 12 months unrestricted expenditure (currently equating to between £2,200,000 and £2,900,000). The trustees consider the current level of free reserves is adequate given that it is within the range set by the reserves policy.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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.

Plans for the future

1. Ensure our products are fit for purpose and market needs
2. Increase End Point Assessment standards by 15
3. Deliver our core values of fairness and trustworthiness
4. Put the learner at the centre of everything we do
5. Commit to investing in resources responsibly

Donations

Charitable donations were made during the year amounting to £nil (2020: £4,091).

Structure, governance and management

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

Organisational structure

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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

L Atkin

C Barratt

I G Bond

D A Clarkson

T Flowers

L J Gee

F Grant

P Harman

M Haroon

(Appointed 16 September 2021)

J F Hodder

(Appointed 4 March 2021)

S Martin

G Potter

P Riley

A E Smith

G P Willmore

(Resigned 4 March 2021)

Recruitment and appointment of new trustees

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

Induction and training of new trustees

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

Pay policy for key management personnel

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

Wider network

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

Related parties

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

Fundraising policy statement

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

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

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

L J Gee

Trustee

Dated: 2 December 2021

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2021

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

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

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

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

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

Opinion

We have audited the financial statements of AIM Qualifications and Assessment Group (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 July 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 charity'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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 this gives rise to a material misstatement in the financial statements themselves. 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 TRUSTEES OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AIM QUALIFICATIONS AND ASSESSMENT GROUP

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

14 December 2021

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
United Kingdom
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	83,178	-	83,178	122,588	-	122,588
Charitable activities	4	2,823,379	-	2,823,379	2,495,843	-	2,495,843
Investments	5	3,728	-	3,728	11,907	-	11,907
Total income		2,910,285	-	2,910,285	2,630,338	-	2,630,338
Expenditure on:							
Charitable activities	6	2,513,760	-	2,513,760	2,705,313	-	2,705,313
Net income/(expenditure) for the year/ Net movement in funds		396,525	-	396,525	(74,975)	-	(74,975)
Fund balances at 1 August 2020		2,855,138	250,000	3,105,138	2,930,113	250,000	3,180,113
Fund balances at 31 July 2021		3,251,663	250,000	3,501,663	2,855,138	250,000	3,105,138

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

All income and expenditure derive from continuing activities.

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	10		26,000		42,485
Tangible assets	11		723,366		743,799
			<u>749,366</u>		<u>786,284</u>
Current assets					
Debtors	12	548,931		493,544	
Investments	13	1,250,000		500,000	
Cash at bank and in hand		1,221,704		1,554,970	
		<u>3,020,635</u>		<u>2,548,514</u>	
Creditors: amounts falling due within one year	14	(268,338)		(229,660)	
Net current assets			<u>2,752,297</u>		<u>2,318,854</u>
Total assets less current liabilities			<u><u>3,501,663</u></u>		<u><u>3,105,138</u></u>
Income funds					
Designated funds			250,000		250,000
General unrestricted funds			3,251,663		2,855,138
			<u><u>3,501,663</u></u>		<u><u>3,105,138</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 Trustees on 2 December 2021

L J Gee
Trustee

Company Registration No. 05038056

AIM QUALIFICATIONS AND ASSESSMENT GROUP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	19		413,006		200,535
Investing activities					
Purchase of tangible fixed assets		-		(4,587)	
Proceeds on disposal of investments		(750,000)		500,000	
Investment income received		3,728		11,907	
Net cash (used in)/generated from investing activities			(746,272)		507,320
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(333,266)		707,855
Cash and cash equivalents at beginning of year			1,554,970		847,115
Cash and cash equivalents at end of year			1,221,704		1,554,970

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

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

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's 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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

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

1.5 Expenditure

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.6 Intangible fixed assets other than goodwill

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

Intellectual property	5 years
Website development	3 years

1.7 Tangible fixed assets

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

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

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

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

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.11 Taxation

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

1.12 Employee benefits

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

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

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

1.13 Retirement benefits

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

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

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

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

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Government JRS grant	83,178	122,588

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Registration and assessment fees	2,823,379	2,495,843

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	3,728	11,907

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

6 Charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Staff costs	1,413,464	1,471,274
Depreciation and impairment	36,918	39,414
Consultancy costs	409,962	417,527
Premises costs	27,139	40,428
IT costs	396,367	383,860
Sundry expenses	218,034	325,033
	<u>2,501,884</u>	<u>2,677,536</u>
Share of governance costs (see note 7)	11,876	27,777
	<u>2,513,760</u>	<u>2,705,313</u>

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	-	6,000	6,000	-	6,000	6,000
Audit fees	-	5,876	5,876	-	5,807	5,807
Legal and professional	-	-	-	-	15,970	15,970
	<u>-</u>	<u>11,876</u>	<u>11,876</u>	<u>-</u>	<u>27,777</u>	<u>27,777</u>
Analysed between						
Charitable activities	-	11,876	11,876	-	27,777	27,777

Governance costs includes payments to the auditors of £4,740 (2020: £4,500) for audit fees.

8 Trustees

There was no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020. The key management personnel comprise the Chief Executive Officer and the trustees. The total employment benefits (including employer pension contributions) of the key management personnel were £64,266 (2020: £65,315).

One trustee received travel expenses during the year totalling £46 (2020: £341 four trustees).

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	46	47
	<u>46</u>	<u>47</u>
Employment costs	2021	2020
	£	£
Wages and salaries	1,202,395	1,256,471
Social security costs	114,634	118,184
Other pension costs	102,435	102,619
	<u>1,419,464</u>	<u>1,477,274</u>

The number of employees whose annual remuneration (excluding employer pension costs) was £60,000 or more were:

	2021 Number	2020 Number
£65,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

The employee shown above is accruing benefits under a defined benefit scheme. £15,502 (2020: £15,109) of pension contributions were made on their behalf.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

10 Intangible fixed assets

	Intellectual property £	Website development £	Total £
Cost			
At 1 August 2020	65,000	77,513	142,513
Disposals	-	(77,513)	(77,513)
At 31 July 2021	65,000	-	65,000
Amortisation and impairment			
At 1 August 2020	26,000	74,028	100,028
Amortisation charged for the year	13,000	3,485	16,485
Disposals	-	(77,513)	(77,513)
At 31 July 2021	39,000	-	39,000
Carrying amount			
At 31 July 2021	26,000	-	26,000
At 31 July 2020	39,000	3,485	42,485

11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	IT equipment £	Total £
Cost					
At 1 August 2020	790,575	16,731	3,670	33,349	844,325
At 31 July 2021	790,575	16,731	3,670	33,349	844,325
Depreciation and impairment					
At 1 August 2020	61,796	6,297	2,440	29,993	100,526
Depreciation charged in the year	15,812	1,565	1,230	1,826	20,433
At 31 July 2021	77,608	7,862	3,670	31,819	120,959
Carrying amount					
At 31 July 2021	712,967	8,869	-	1,530	723,366
At 31 July 2020	728,779	10,434	1,230	3,356	743,799

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

12 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	540,264	464,815
Prepayments and accrued income	8,667	28,729
	<u>548,931</u>	<u>493,544</u>

13 Current asset investments

	2021	2020
	£	£
Short term deposits	<u>1,250,000</u>	<u>500,000</u>

During the year the charity placed cash into short term deposit accounts with maturity dates more than 3 months from the balance sheet date. The total amount held in such deposit accounts at the balance sheet date was £1,250,000 (2020: £500,000) at an average interest rate of 0.06%. The maturity dates and amounts are as follows:

Amount:

£500,000 - Maturity date: 17 September 2021

£250,000 - Maturity date: 15 December 2021

£250,000 - Maturity date: 14 March 2022

£250,000 - Maturity date: 23 June 2022

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	29,067	26,942
Trade creditors	170,026	89,016
Other creditors	14,790	14,201
Accruals and deferred income	54,455	99,501
	<u>268,338</u>	<u>229,660</u>

Included within other creditors is £14,790 (2020: £14,201) in respect of outstanding pension contributions.

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £47,445 (2020 - £43,671).

Defined benefit schemes

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 Scheme were determined on the basis of quadrennial actuarial valuations carried out by the Government Actuary. The latest actuarial valuation of the TPS 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 valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The contributions during the year totalled £54,990 (2020: £58,948).

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

Under the definitions set out in FRS102, the TPS is an unfunded multi-employer pension scheme. The charity has recognised contributions to the scheme as if it were a defined contribution scheme.

16 Designated funds

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

	Movement in funds		Movement in funds		
	Balance at 1 August 2019	Incoming resources	Balance at 1 August 2020	Incoming resources	Balance at 31 July 2021
	£	£	£	£	£
Cessation fund	250,000	-	250,000	-	250,000
	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Fund balances at 31 July 2021 are represented by:						
Intangible fixed assets	26,000	-	26,000	42,485	-	42,485
Tangible assets	723,366	-	723,366	743,799	-	743,799
Current assets/(liabilities)	2,502,297	250,000	2,752,297	2,068,854	250,000	2,318,854
	<u>3,251,663</u>	<u>250,000</u>	<u>3,501,663</u>	<u>2,855,138</u>	<u>250,000</u>	<u>3,105,138</u>

18 Related party transactions

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

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

Related Party	Relationship	2021 Income £	2020 Income £	2021 Debtor £	2020 Debtor £
P Riley	Director of NDA Foundation	133,947	80,557	32,240	69,427
S Martin	Employee of ATT	66,731	48,633	13,870	8,170
IG Bond	Employee of Inspire	1,368	23,493	667	314
LJ Gee	Employee of Derby College (19-20)	-	14,493	-	22
LJ Atkin	Employee of Leicester College	72,289	120,965	6,398	168
G Potter	Employee of Bauer Academy	59,825	59,736	11,200	4,800
Trustee		2021 Expense £	2020 Expense £	2021 Creditor £	2020 Creditor £
G Willmore	Consultant	5,136	5,868	-	-

19 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	396,525	(74,975)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,728)	(11,907)
Depreciation and impairment of tangible fixed assets	36,918	39,414
Movements in working capital:		
(Increase)/decrease in debtors	(55,387)	277,032
Increase/(decrease) in creditors	38,678	(29,029)
Cash generated from operations	<u>413,006</u>	<u>200,535</u>

AIM QUALIFICATIONS AND ASSESSMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

20 Analysis of changes in net funds

The charity had no debt during the year.

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