

Charity registration number 1103300

Company registration number 05038056 (England and Wales)

**AIM QUALIFICATIONS AND ASSESSMENT GROUP**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2022**

## AIM QUALIFICATIONS AND ASSESSMENT GROUP

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S L Ajayi	(Appointed 7 September 2022)
	L Atkin	
	C Barratt	
	O E Burke	(Appointed 7 September 2022)
	I G Bond	
	D C M Dawson	(Appointed 7 September 2022)
	G Desai	(Appointed 7 September 2022)
	T Flowers	
	L J Gee	
	F Grant	
	M Haroon	(Appointed 16 September 2021)
	S Henson	(Appointed 7 September 2022)
	P Riley	
<b>Secretary</b>	D Marsh	
<b>Charity number</b>	1103300	
<b>Company number</b>	05038056	
<b>Registered office</b>	3 Pride Point Drive Pride Park Derby Derbyshire DE24 8BX	
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire United Kingdom PE1 2SP	
<b>Bankers</b>	Lloyds TSB Plc Irongate Derby DE1 5GA	

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# AIM QUALIFICATIONS AND ASSESSMENT GROUP

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# AIM QUALIFICATIONS AND ASSESSMENT GROUP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE PERIOD ENDED 31 AUGUST 2022

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The trustees present their annual report and financial statements for the period ended 31 August 2022.

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
- By 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 60 new centres
- Registered 50k+ learners
- Maintained its low-risk rating by QAA for our Access to HE provision
- Increased the number of EPA standards to 25
- Merged with the Open College Network West Midlands Region

Throughout the year, the Board and Executive Officers have focused on:

- ensuring that the Charity fulfilled its objectives despite the unprecedented challenges of the Coronavirus pandemic.
- ensuring that appropriate resources were in place to fulfil the Charity's operational responsibilities.
- ensuring the continued support and services for the recognised centres.
- the health, safety and wellbeing of the staff team.

#### Financial review

There was an excess of income over expenditure for the year of £83,449. Assets of £3,136,642 were also transferred in from Open College Network West Midlands Region. The Charity has total unrestricted reserves at the 31 August 2022 of £6,721,754, of which £408,800 has been designated. This leaves £6,312,954 general reserves of which free reserves total £4,035,573.

#### Reserves policy

AIM Qualifications and Assessment Group has sufficient reserves to fund at a minimum six months of total annual expenditure to cover such things as staff salaries and redundancy payments, establishment expenses, outstanding accounts and any committed funds. The actual minimum reserve figure is calculated annually based on current financial accounts and business plans and presented to the Board for agreement on an annual basis.

This year, the Board approved designated reserved for specifically identified projects.

# **AIM QUALIFICATIONS AND ASSESSMENT GROUP**

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

**FOR THE PERIOD ENDED 31 AUGUST 2022**

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### **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 have 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 are responsible for the management of the risks faced by the Charity. Detailed considerations of risk are delegated to the Executive Group. Risks are identified and systematically monitored throughout the year.

The key controls used by the Charity include: formal agendas for all Committee and Board activity; terms of reference for all Committees; comprehensive strategic planning, budgeting and management accounting; a review of the Finance Regulations; established organisational structure and lines of reporting and clear authorisation and approval levels.

Through the risk management processes the Board are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

### **Plans for future periods**

1. To embed a culture that builds on the strengths of both legacy organisations
2. To ensure effective compliance with all regulators and harmonise systems and approaches
3. To embed at every level a relentless focus on ensuring the highest levels of service
4. To promote and market the group, raising profile and becoming more visible
5. To maintain two Access Validating Agency licenses

### **Donations**

Charitable donations were made during the year amounting to £310 (2021: £nil).

### **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 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 PERIOD ENDED 31 AUGUST 2022

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

S L Ajayi	(Appointed 7 September 2022)
L Atkin	
C Barratt	
O E Burke	(Appointed 7 September 2022)
I G Bond	
D A Clarkson	(Resigned 3 March 2022)
D C M Dawson	(Appointed 7 September 2022)
G Desai	(Appointed 7 September 2022)
T Flowers	
L J Gee	
F Grant	
P Harman	(Resigned 8 July 2022)
M Haroon	(Appointed 16 September 2021)
S Henson	(Appointed 7 September 2022)
J F Hodder	(Resigned 8 July 2022)
S Martin	(Resigned 8 July 2022)
G Potter	(Resigned 8 July 2022)
P Riley	
A E Smith	(Resigned 8 July 2022)

#### Recruitment and appointment of new trustees

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

#### Induction and training of new trustees

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

#### Pay policy for key management personnel

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

#### Wider network

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

#### Related parties

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

## **AIM QUALIFICATIONS AND ASSESSMENT GROUP**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE PERIOD ENDED 31 AUGUST 2022***

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#### **Fundraising policy statement**

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

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

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

L J Gee

**Trustee**

7 March 2023

## **AIM QUALIFICATIONS AND ASSESSMENT GROUP**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE PERIOD ENDED 31 AUGUST 2022***

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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 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 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

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#### Opinion

We have audited the financial statements of AIM Qualifications and Assessment Group (the 'charity') for the period ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 August 2022 and of its incoming resources and application of resources, for the period 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.

#### 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.

## **AIM QUALIFICATIONS AND ASSESSMENT GROUP**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF AIM QUALIFICATIONS AND ASSESSMENT GROUP**

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##### **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.

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.

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.

## **AIM QUALIFICATIONS AND ASSESSMENT GROUP**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF AIM QUALIFICATIONS AND ASSESSMENT GROUP**

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##### **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**

5 April 2023

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
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 section 1212 of the Companies Act 2006.

## AIM QUALIFICATIONS AND ASSESSMENT GROUP

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 2022

		Unrestricted funds 2022	Designated funds 2022	Total 2022	Unrestricted funds 2021	Designated funds 2021	Total 2021
	Notes	£	£	£	£	£	£
<b>Income and endowments from:</b>							
Donations and legacies	3	-	-	-	83,178	-	83,178
Charitable activities	4	3,046,866	-	3,046,866	2,823,379	-	2,823,379
Investments	5	1,683	-	1,683	3,728	-	3,728
Other income	6	3,136,642	-	3,136,642	-	-	-
<b>Total income</b>		<b>6,185,191</b>	<b>-</b>	<b>6,185,191</b>	<b>2,910,285</b>	<b>-</b>	<b>2,910,285</b>
<b>Expenditure on:</b>							
Charitable activities	7	2,887,842	-	2,887,842	2,513,760	-	2,513,760
Other expenses	11	77,258	-	77,258	-	-	-
<b>Total resources expended</b>		<b>2,965,100</b>	<b>-</b>	<b>2,965,100</b>	<b>2,513,760</b>	<b>-</b>	<b>2,513,760</b>
<b>Net incoming resources before transfers</b>		<b>3,220,091</b>	<b>-</b>	<b>3,220,091</b>	<b>396,525</b>	<b>-</b>	<b>396,525</b>
Gross transfers between funds		(158,800)	158,800	-	-	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>3,061,291</b>	<b>158,800</b>	<b>3,220,091</b>	<b>396,525</b>	<b>-</b>	<b>396,525</b>
Fund balances at 1 August 2021		3,251,663	250,000	3,501,663	2,855,138	250,000	3,105,138
<b>Fund balances at 31 August 2022</b>		<b>6,312,954</b>	<b>408,800</b>	<b>6,721,754</b>	<b>3,251,663</b>	<b>250,000</b>	<b>3,501,663</b>

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

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 AUGUST 2022

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Intangible assets	12	24,325	26,000
Tangible assets	13	1,612,498	723,366
Investments	14	640,558	-
		<u>2,277,381</u>	<u>749,366</u>
<b>Current assets</b>			
Debtors	15	692,495	548,931
Investments	16	1,500,000	1,250,000
Cash at bank and in hand		2,554,039	1,221,704
		<u>4,746,534</u>	<u>3,020,635</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(302,161)</u>	<u>(268,338)</u>
Net current assets		4,444,373	2,752,297
<b>Total assets less current liabilities</b>		<u>6,721,754</u>	<u>3,501,663</u>
<b>Income funds</b>			
Designated funds		408,800	250,000
General unrestricted funds		6,312,954	3,251,663
		<u>6,721,754</u>	<u>3,501,663</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 August 2022, 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 period 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 7 March 2023

L J Gee  
Trustee

Company Registration No. 05038056

# **AIM QUALIFICATIONS AND ASSESSMENT GROUP**

## **STATEMENT OF CASH FLOWS**

**FOR THE PERIOD ENDED 31 AUGUST 2022**

		2022		2021	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		13,208		413,006
<b>Investing activities</b>					
Purchase of intangible assets		(19,410)		-	
Proceeds on disposal of investments		(250,000)		(750,000)	
Investment income received		1,683		3,728	
<b>Net cash used in investing activities</b>			(267,727)		(746,272)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(254,519)		(333,266)
Cash and cash equivalents at beginning of period			1,221,704		1,554,970
Net cash acquired on merger with OCN			1,586,854		-
<b>Cash and cash equivalents at end of period</b>			<u>2,554,039</u>		<u>1,221,704</u>

# AIM QUALIFICATIONS AND ASSESSMENT GROUP

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE PERIOD ENDED 31 AUGUST 2022*

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### 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. 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 PERIOD ENDED 31 AUGUST 2022

### 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 the statement of financial activities.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.9 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.

#### 1.10 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.

#### 1.11 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.



# AIM QUALIFICATIONS AND ASSESSMENT GROUP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

#### **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.

#### **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.

### 1.12 Taxation

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

### 1.13 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.

### 1.14 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 PERIOD ENDED 31 AUGUST 2022

#### 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

	<b>Total</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Government JRS grant	-	83,178

#### 4 Charitable activities

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Registration and assessment fees	3,046,866	2,823,379

#### 5 Investments

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest receivable	1,683	3,728

# AIM QUALIFICATIONS AND ASSESSMENT GROUP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

### 6 Other income

	Unrestricted funds	Total
	2022	2021
	£	£
Transfer in of Open College Network West Midlands	3,136,642	-

### 7 Charitable activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Staff costs	1,661,397	1,413,464
Depreciation and impairment	41,183	36,918
Consultancy costs	400,065	409,962
Premises costs	45,381	27,139
IT costs	432,254	396,367
Other expenses	295,562	218,034
	2,875,842	2,501,884
Share of governance costs (see note 8)	12,000	11,876
	2,887,842	2,513,760

### 8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	-	6,000	6,000	-	6,000	6,000
Audit fees	-	6,000	6,000	-	5,876	5,876
	-	12,000	12,000	-	11,876	11,876
Analysed between Charitable activities	-	12,000	12,000	-	11,876	11,876

Governance costs includes payments to the auditors of £4,980 (2021- £4,740) for audit fees.

# AIM QUALIFICATIONS AND ASSESSMENT GROUP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 AUGUST 2022

#### 9 Trustees

There was no trustees' remuneration or other benefits for the period ended 31 August 2022 nor for the year ended 31 July 2021. 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 £72,926 (2021: £64,266).

One trustee received travel expenses during the year totalling £69 (2021: £46 one trustee).

#### 10 Employees

The average monthly number of employees during the period was:

	2022 Number	2021 Number
	46	46
	<u>46</u>	<u>46</u>
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	£	£
Wages and salaries	1,422,282	1,202,395
Social security costs	132,996	114,634
Other pension costs	112,119	102,435
	<u>1,667,397</u>	<u>1,419,464</u>

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

	2022 Number	2021 Number
£60,001 - £65,000	1	-
£65,001 - £70,000	-	1
£75,001 - £80,000	1	-
	<u>2</u>	<u>1</u>

One of the employees shown above is accruing benefits under a defined benefit scheme. £17,757 (2021: £15,502) of pension contributions were made on their behalf.

#### 11 Other expenses

	Unrestricted funds	Total
		£
	2022	2021
Merger costs	77,258	-
	<u>77,258</u>	<u>-</u>

## AIM QUALIFICATIONS AND ASSESSMENT GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

#### 12 Intangible fixed assets

	Intellectual property £	Website development £	Total £
<b>Cost</b>			
At 1 August 2021	65,000	-	65,000
Additions - separately acquired	-	19,410	19,410
At 31 August 2022	65,000	19,410	84,410
<b>Amortisation and impairment</b>			
At 1 August 2021	39,000	-	39,000
Amortisation charged for the period	14,083	7,002	21,085
At 31 August 2022	53,083	7,002	60,085
<b>Carrying amount</b>			
At 31 August 2022	11,917	12,408	24,325
At 31 July 2021	26,000	-	26,000

#### 13 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	IT equipment £	Total £
<b>Cost</b>					
At 1 August 2021	790,575	16,731	3,670	33,349	844,325
Transfer in on merger	1,194,062	-	94,049	72,391	1,360,502
At 31 August 2022	1,984,637	16,731	97,719	105,740	2,204,827
<b>Depreciation and impairment</b>					
At 1 August 2021	77,608	7,862	3,670	31,819	120,959
Depreciation charged in the period	17,128	1,440	-	1,530	20,098
Transfer in on merger	332,856	-	64,189	54,227	451,272
At 31 August 2022	427,592	9,302	67,859	87,576	592,329
<b>Carrying amount</b>					
At 31 August 2022	1,557,045	7,429	29,860	18,164	1,612,498
At 31 July 2021	712,967	8,869	-	1,530	723,366

# AIM QUALIFICATIONS AND ASSESSMENT GROUP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

### 14 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 August 2021	-
Transfer in on merger	640,558
	<hr/>
At 31 August 2022	640,558
	<hr/>
<b>Carrying amount</b>	
At 31 August 2022	640,558
	<hr/>
At 31 July 2021	-
	<hr/>

### 15 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	627,914	540,264
Prepayments and accrued income	64,581	8,667
	<hr/>	<hr/>
	692,495	548,931
	<hr/>	<hr/>

### 16 Current asset investments

	2022 £	2021 £
Short term deposits	1,500,000	1,250,000
	<hr/>	<hr/>

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 £1,500,000 (2021: £1,250,000) at an average interest rate of 0.38%. The maturity dates and amounts are as follows:

Amount:  
 £500,000 - Maturity date: 21 September 2022  
 £500,000 - Maturity date: 20 December 2022  
 £250,000 - Maturity date: 14 March 2023  
 £250,000 - Maturity date: 31 May 2023

## AIM QUALIFICATIONS AND ASSESSMENT GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

#### 17 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	32,774	29,067
Trade creditors	231,303	170,026
Other creditors	15,173	14,790
Accruals and deferred income	22,911	54,455
	<u>302,161</u>	<u>268,338</u>

Included within other creditors is £15,173 (2021: £14,790) in respect of outstanding pension contributions.

#### 18 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 £52,209 (2021 - £47,445).

##### 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 £59,910 (2021: £54,990).

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.

## AIM QUALIFICATIONS AND ASSESSMENT GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

#### 19 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				
	Balance at 1 August 2020	Incoming resources	Balance at 1 August 2021	Transfers	Balance at 31 August 2022
	£	£	£	£	£
Cessation fund	250,000	-	250,000	158,800	408,800
	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>158,800</u>	<u>408,800</u>

#### 20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:						
Intangible fixed assets	24,325	-	24,325	26,000	-	26,000
Tangible assets	1,612,498	-	1,612,498	723,366	-	723,366
Investments	640,558	-	640,558	-	-	-
Current assets/(liabilities)	4,035,573	408,800	4,444,373	2,502,297	250,000	2,752,297
	<u>6,312,954</u>	<u>408,800</u>	<u>6,721,754</u>	<u>3,251,663</u>	<u>250,000</u>	<u>3,501,663</u>

#### 21 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	2022 Income £	2021 Income £	2022 Debtor £	2021 Debtor £
P Riley	Director of NDA Foundation	122,460	133,947	65,050	32,240
S Martin	Employee of ATT	116,838	66,731	22,499	13,870
IG Bond	Employee of Inspire	-	1,368	-	667
LJ Atkin	Employee of Leicester College	141,341	72,289	13,820	6,398
G Potter	Employee of Bauer Academy	66,750	59,825	14,860	11,200
Trustee		2022 Expense	2021 Expense	2022 Creditor	2021 Creditor
G Willmore	Consultant	-	5,136	-	-



## AIM QUALIFICATIONS AND ASSESSMENT GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

22	Cash generated from operations	2022 £	2021 £
	Surplus for the period	83,449	396,525
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,683)	(3,728)
	Depreciation and impairment of tangible fixed assets	41,183	36,918
	Movements in working capital:		
	(Increase) in debtors	(143,564)	(55,387)
	Increase in creditors	33,823	38,678
	<b>Cash generated from operations</b>	<b>13,208</b>	<b>413,006</b>

- 23 Analysis of changes in net funds**  
The charity had no debt during the year.

#### 24 Transfer in of Open College Network West Midlands

During the period, assets and liabilities were transferred in from Open College Network West Midlands Region as follows:

	2022 £
Tangible fixed assets - cost	1,360,502
Tangible fixed assets - depreciation	(451,272)
Fixed asset investments	640,558
Cash	1,586,854
	<b>3,136,642</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.