

Financial Statements

The Association of Graduate Careers Advisory Services

Annual Report and Financial Statements for the year ended 31 July 2020

Charity numbers: 1078508 and SC038805
Registered number: 3884685

The Association of Graduate Careers Advisory Services
(A company limited by guarantee)

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Board of Trustees/Directors

Dr Fiona Christie, Manchester Metropolitan University
Terry Dray, Keele University (resigned 24 August 2020)
Dr Bob Gilworth, The Careers Group, University of London (President) (resigned 10 July 2020)
Paul Grattrick, University of Liverpool
Dr Jonathan Howden-Evans, Royal Holloway, University of London (Vice President)
Marc Lintern, Newcastle University (President from 10 July 2020)
Naomi Oosman-Watts, Newcastle University
Helen Smith, University of Sheffield
Mark Stow, Leeds Beckett University
Dr Nalayini Thambar, University of Nottingham
Simon Thompson, Sheffield Hallam University
Elizabeth Wilkinson, The Careers Group, University of London (Treasurer and Company Secretary)
David Winter, The Careers Group, University of London

Company registered number 3884685

Charity registered numbers 1078508 and SC038805

Registered office AGCAS, R8D Riverside Building, Sheaf Bank Business Park, Prospect Road, Sheffield S2 3EN

Independent auditor

Hawsons Chartered Accountants, Pegasus House, 463a Glossop Road, Sheffield S10 2QD

Bankers

Barclays Bank plc, Portsdown Group, PO Box 6, Portsmouth, PO6 3DH

The Association of Graduate Careers Advisory Services

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Trustees' Report **For the year ended 31 July 2020**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Association of Graduate Careers Advisory Services (the company) for the year ended 31 July 2020. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the applicable United Kingdom accounting standards including 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Vision and purpose, objectives and aims

Our objects:

The objects for which the Company is established are to advance careers education, information, advice and guidance, for the public benefit, which supports students and graduates of higher education to make well-informed transitions, and fulfil their professional and career potential.

Mission

AGCAS is the UK and Ireland expert membership organisation for higher education student career development and graduate employment professionals. Through our members, we support the best possible career outcomes from higher education for individuals, institutions, society and the economy.

Vision

Through the reach and expertise of our members, AGCAS is to be recognised as the UK and Ireland expert organisation for policy consultations and opinion on higher education student career development and graduate employment.

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Trustees' Report (continued) For the year ended 31 July 2020

AGCAS's main objectives for 2019-20

The main objective for 2019-20 was implementation of the strategic plan for 2016-19. The strategic plan was approved by the Board in December 2016 and is enabled by five core strategy areas:

Advocacy – to be regarded as thought leaders and influence policy

Community – create a sense of common purpose, all AGCAS members feel that their profession, region or mission group is represented

Learning – AGCAS delivers professional development for all members

Quality – to be recognised as a professional body

Research and Knowledge – to be experts in HE student career development and graduate employment

These core strategy areas are underpinned by AGCAS' financial sustainability; robust financial stewardship; the Board, which represents the membership and provides strategic direction; well-motivated and competent staff.

Each strategic area and their related strategic actions will be the responsibility of a Board Director supported by a member of the AGCAS staff team.

The HE careers landscape is constantly changing, AGCAS focused on four key topic areas during 2019-20:

- Academic Alignment
- Data Insights
- Regionalisation
- Social Mobility

AGCAS's strategy for achieving our objectives for 2019-20 were:

- Develop our representation with key stakeholder organisations and contribute to public discussion and policy consultations on graduate employability and graduate outcomes.
- Roll out the AGCAS Membership Quality Standard across the AGCAS member services
- Develop professional pathways for individual members and review the professional development programme in line with this
- Grow member numbers, individual members at existing member institutions and new member institutions from FE colleges who offer HE

Review of performance against set objectives for 2019-20:

AGCAS began implementation of the strategic plan in January 2017. The board has six committees and five working parties to deliver these activities.

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**Trustees' Report (continued)
For the year ended 31 July 2020**

Committees

Community – This year, 3 new Service Members joined AGCAS, as well as an 82% increase of individual members and affiliates since 1 August 2019. How we support our members and member groups changed in March 2020, when we moved to online meetings and event delivery. Including 18 webinars focused on sharing emerging practice in response to the COVID-19 pandemic.

Research and Knowledge – We delivered a suite of careers information products, published in collaboration with our partners JISC Student Services – Prospects and GTI Media, providing 600 individual titles offering expert advice to students and graduates. We published three issues of *Phoenix*, the AGCAS journal. We also published a number of research projects in collaboration with members and external stakeholders, including *Focus on Graduate Skills* (August 2019), *What Happens Next? A report on the first destination of disabled graduates* (September 2019), *Supporting international graduate employability* (January 2020), *The Scottish Graduate Labour Market* (February 2020) and *Supporting research staff and students* (July 2020). In response to the COVID-19 pandemic, we undertook internal research to better understand the impact of the pandemic on our members and *Evaluating the effectiveness of employer engagement* (September 2020).

Learning – In April 2020, in response to the COVID-19 pandemic we moved our training programme online. AGCAS members engaged with the programme, we saw increased take up of training from Irish members and non-members internationally. As we were not able to run the Annual Conference as planned in June 2020, we delivered a reduced programme over five days in June as a free to members online conference.

Governance and Risk – The Board created a Governance and Risk Committee to provide oversight of AGCAS activities, policies and procedures. To date the committee have reviewed the AGCAS Risk Register, provided advice on the business planning process and reviewed key areas of AGCAS business activities.

Nominations – The nominations working party became a committee in September 2020. In 2019-20 they oversaw the election and appointment for the role of President. All Board roles are supported by a role description which identified the skills required to undertake the Board remit, Nominations Committee shortlist nominated AGCAS members with the required skills to put forward for election to the Board by the AGCAS membership.

Remuneration – the Remuneration Committee oversee implementation of the remuneration policy and approve Executive Director pay and benefits.

Working Parties

Academic Alignment – The Academic Alignment Working Party (AAWP) was formed on 1 June 2019 to support AGCAS member services to contribute to the integration of employability within their institutions by promoting and communicating best practice within the AGCAS membership and HE sector.

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Trustees' Report (continued) For the year ended 31 July 2020

Data Insights – The main focus of activities during 2019-20 related to the new Graduate Outcomes Survey, published for the first time in June 2020. This included relationship building with other external stakeholders, including UUK and HESPA, to lobby HESA on behalf of members in the run-up to the publication of GO data, and working with league table compilers and OfS to support work around performance indicators and key metrics.

Professionalism – This is the second year of the roll out of the AGCAS Membership Quality Standard. 33 member institutions undergoing review this year. We appointed 20 volunteer Peer Reviewers:

- 14 reviewers signed up to support again this year after being recruited and trained in 2019
- Six new reviewers were recruited and trained in 2020

to support the delivery of the AGCAS Membership Quality Standard completion process this year. The working party began work on the development of professional pathways for individual members.

Regionalisation – The Regionalisation Working Party was formed on 1 January 2020 to develop an AGCAS position on key issues around regional labour markets and skills gaps. Since April 2020, the working party has developed regional information to help member support their students and graduates with labour market information and other guidance.

Social Mobility – The Social Mobility and Widening Participation Working Party reviews members' interests, activities, measures and outcomes related to enhancing student and graduate social mobility, while supporting the enhancement of social mobility through the promotion of best practice within the AGCAS membership and HE sector.

Significant AGCAS activities 2019-20:

As for most organisations, the most significant AGCAS activities in 2019-20 related to the changes we have made to our business model due to the COVID19 pandemic. From March 2020, AGCAS staff team have been working at home, all events, training courses and meetings were carried out online. We reduced the delegate prices for training courses once they were online. As we were not able to hold the Annual Conference in person in June 2020, we did not receive income from exhibition or delegate ticket sales and sponsorship income was reduced. This all influenced our ability to earn revenue in 2019-20. We placed 5 staff members in the Government's Job Retentions Scheme during April to August. Longer term we have restructured the staff team, with a redundancy consultation being held during July and August.

However, during this time, we have seen increased engagement with third party stakeholders, including collaboration with other national and regional university careers services and employer organisations on a series of webinars looking at the impact of the COVID19 pandemic on the global graduate labour market. We have also liaised with the Department for Education, Office for Students and Scottish and Welsh Government on supporting graduates and students.

Strategic report

Achievements and performance

The objectives and other significant activities were only possible due to:

- AGCAS enjoying a good reputation as a highly professional, committed and strongly collaborative organisation. This can be seen in the regular requests to contribute views and opinions to consultations and media approaches for input to events, collaboration on projects and endorsement by other organisations.

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Trustees' Report (continued) For the year ended 31 July 2020

- The enthusiastic support of members who contribute to the Association's development in many different ways.
- AGCAS staff whose efforts both individually and collectively ensure AGCAS's reputation and impact continues to grow while providing an impressive range of member benefits.

Activities in Scotland - registered charity number SC038805

AGCAS has 15 member Universities in Scotland, and a very active Scottish network. AGCAS also organises a major graduate fair in Scotland in conjunction with the University of Strathclyde. Until the end of 2019, AGCAS delivered the Scottish Government-funded ScotGrad programme.

Objectives for 2020-21:

The focus will be on delivering the 2020-22 strategic plan, while taking into account the changes to our operational activities caused by the COVID-19 pandemic. We will continue to support AGCAS members with developing and sharing best practice and giving them voice in the debate around our four strategic themes.

There are specific objectives relate to the five areas of activity in our strategic plan: Advocacy, Community, Learning, Quality and Research and Knowledge.

Advocacy – to be regarded as thought leaders and influence policy

- Ensure communication of strategic themes, policies and best practice within the sector and to external stakeholders
- Represent AGCAS member expertise in wider HE policy debates and with external stakeholders
- Provide members with intelligence on wider HE policy discussions

Community – create a sense of common purpose so all AGCAS members feel that their profession/mission group/region is represented

- Review member benefits and ensure that all members continue to get value from involvement with AGCAS
- Increase the number of individual members, full and partner, from existing institutional members
- Increase institutional members through providing relevant support for Further Education institutions who offer Higher Education qualifications.

Learning – all members are able to rely on AGCAS for their professional development

- Review our Learning offering to ensure we provide relevant CPD for all members.
- Align Learning programme to the AGCAS Professional Pathway Competency Framework

Quality – to be recognised as a professional body

- Embed the AGCAS Membership Standard into normal practice (all member services go through the process once every three years)
- Develop Professional Pathways Competency Framework (for all HE careers professions)

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**Trustees' Report (continued)
For the year ended 31 July 2020**

Research and Knowledge – to be UK and Ireland experts in HE student career development and graduate employment

- Develop an enhanced profile for AGCAS research and knowledge activity
- Strengthen emerging areas of research in student career development and graduate employment. Priority will be given to support for research which addresses strategic themes.
- Establish a cohesive approach to the integration of Research and Knowledge and Advocacy activity

We are focusing on four strategic themes within the period of the strategy (these themes may change over time):

	Advocacy	Community
Academic Alignment	Engage with external bodies, and contribute to the discussion, policy development and professional practice	Support member services to contribute and lead on integration of employability within their institution's teaching and curriculum
Data Insights	Data Insights Strategy Group and network of external stakeholders are the key forum for HE sector. Position AGCAS as the national organisation of experts Link with other key sector organisations e.g. HESPA	Provide members with the information to enable them to position themselves strategically in their organisation as experts on graduate and student employability data issues
Regionalisation	Position AGCAS as experts in the debate about the role of HEIs as anchor institutions within their region. Position AGCAS members as the experts on graduate employability and labour markets within their region	

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	Engage and strengthen partnership working with members and employer groups to enhance response to social and regional immobility	
Social Mobility	<p>Demonstrate the importance of careers support in increasing social mobility</p> <p>Engage and strengthen partnership working with members and employer groups to enhance response to social and regional immobility.</p> <p>Contribute to national discussions regarding social mobility</p>	<p>Establish and maintain network of members focusing on social mobility to share and develop best practice and expertise in careers support for diverse student cohorts</p>

We will also focus on support and development for Leaders within HE careers:

- Offer leadership development programme for leaders and prospective leaders within the HE student career development and graduate employment profession
- Provide advice and information on a wide range of HE sector and government policy issues and changes, and how they will impact careers and employability services
- Promote and represent HE career professional expertise with policy makers, policy influencers, academics and other stakeholders

Operational focus on 2020-21 will be on:

- Continuing to deliver our training programme online
- Delivering our Heads of Service Conference online and preparing to deliver our Annual Conference as either face-to-face or a virtual conference.
- Develop the international market for our training programme and potentially membership
- Develop a Supporter Programme to offer an annual programme of activity for organisations who have traditionally sponsored our conferences
- Continue with the roll out of the AGCAS Membership Quality Standard and development of the individual professional pathways
- All member meetings will be held online during 2020-21

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Trustees' Report (continued) For the year ended 31 July 2020

Review of Financial position

This year has seen a net increase in funds of £109,896 (2019: deficit £136,973) which is largely due to the reduction in the USS pension liability of £90,633. Otherwise the Association achieved a surplus on operations of £19,263 for the year which is in excess of budget.

Total income for the year decreased £194,541. Decreases in training course activity due to Covid-19 and termination of the ScotGrad programme were the main factors.

Expenditure in the year decreased £172,545. This is due to decreases in training activity costs and general running costs due to Covid-19, termination of ScotGrad programme, CJRS scheme, Covid Grant and efficiency savings at Annual Conference.

Total net assets at 31 July 2020 were £368,133 (2019: £258,237).

Investment performance

The size of the reserves limits the opportunities for longer-term investment activity. The policy is therefore to retain funds as cash and place them on bank deposit. Cash reserves are to be placed in a number of higher interest accounts to maximise interest received and give better protection via the FSCS scheme.

Going concern

The Trustees have reviewed and approved a surplus operational budget of £17.2k for the year to 31 July 2021. This, together with current unrestricted funds of £368,133, the Trustees are confident in adopting the going concern basis in preparing the financial statements. The Trustees have made changes to the business to adapt to the COVID-19 crisis, including moving training courses, conferences and member meetings online. The staff team has been restructured to support this new way of working. Risks related to the COVID-19 crisis have been identified and mitigation managed via the Risk Register. We have increased the level of our financial reserves this year.

Reserves policy

The policy on the financial reserves of AGCAS is set by its Trustees following an annual review.

The majority of AGCAS's assets are held as unrestricted funds and form part of the reserves. AGCAS will hold between £300,000 and £355,000 in reserves. This equates to between 3 and 4 months of budgeted income in 2019-20. This level of reserves are necessary to protect AGCAS in the event that:

- An amount is needed to meet an unforeseen emergency or other unexpected need
- Unbudgeted expenditure – a small contingency fund to meet unforeseen operational costs
- There is uncertainty over future income or individual project failure or no occurrence
- AGCAS needs to cover running costs for three months without income or member activities

Insurance effected for trustees and officers

Professional indemnity insurance has been taken out by AGCAS on behalf of its Trustees and officers.

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Trustees' Report (continued) For the year ended 31 July 2020

Structure, governance and management

Structure

AGCAS is constituted as a company limited by guarantee and as such does not have share capital. Its governing document is its Articles of Association, incorporated 23 November 1999, as amended by written special resolutions dated 14 September 2006 and 5 January 2012 and 12 September 2017 and 10 January 2020.

Board

The Trustees of the charity are AGCAS members who are nominated by the Full Members of AGCAS. Trustees also serve on the Board of Directors of the company.

In 2018, the Board formed a Nominations Working Party to oversee election of Board Directors. In 2020, this working party became a committee of the Board. All Board roles are supported by a role description, which identifies the skills required to undertake the Board remit. The Nominations Working Party shortlist nominated AGCAS members with the required skills to put forward for election to the Board by the AGCAS membership.

The normal period of office is three years and Trustees are eligible for re-appointment for one further term of three years.

Organisational structure

AGCAS is organised in line with the AGCAS strategic pillars. There are three teams:

- Member Services supporting Community; Learning and Quality
- External Relations supporting Advocacy; Research and Knowledge
- Finance and Operations

Given the limited number of staff and the size and scale of many of the organisation's undertakings, a large degree of collaborative cross-team working is required to successfully achieve desired outcomes.

Management

Trustees play a key role in establishing AGCAS strategy, priorities and policies and in making key decisions which affect the organisation, including approving the annual budget. Day-to-day operational management is delegated to the Executive Director.

Volunteers

AGCAS is only able to operate and have the level of impact it does due to a very high level of active participation by its members whose voluntary activities cover:

AGCAS Board, Task Groups and other committees

AGCAS Trustees contribute a significant amount of their services' time and their own, to AGCAS matters relating to their particular roles, over and above attending four Board meetings a year. The President's institution is paid a fixed annual sum in recompense for the time spent. An estimate of the collective contribution of the other Board members is between 100 – 120 days.

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Trustees' Report (continued) For the year ended 31 July 2020

AGCAS members contribute a huge amount of time and effort through their involvement in 6 committees, 5 working parties, 15 Task Groups, 4 strategic theme sub-groups and 7 regional training groups. The benefit of this work is felt by individuals in the form of professional development, by member services through the materials, networking and training delivered, and by their institutions, employers and the sector through the quality of HE Careers Services.

Training and development

AGCAS provides training and development opportunities for all its members through a network of volunteer trainers from member Careers Services who are recruited and trained specifically for that task. Working closely with AGCAS staff, they deliver national, regional and bespoke courses. Without their input AGCAS could not offer such a diverse range of quality courses.

Writers of information materials

A number of AGCAS members research and write careers information materials for AGCAS, on a voluntary and paid basis, published by our commercial partners.

Relationships with other organisations

AGCAS has working relationships with a wide range of organisations in the Higher Education (HE) sector and in the fields of careers guidance and development and graduate recruitment across the UK and Ireland and overseas. During the year, AGCAS has successfully contributed to numerous reviews and policy initiatives including: Universities UK employability conference and cross sector group that developed their *Supporting Graduates, The Class of 2020* report, HESA Graduate Outcomes Survey development, and Office for Students Briefing Notes.

AGCAS has commercial relationships with JISC Student Services – Prospects and GTI Media through a service level agreement (SLAs) for the provision of information products.

Review of risks

The Trustees recognise and accept their responsibility for ensuring that risks the organisation is exposed to are reviewed, and steps taken to mitigate the impact of adverse factors through the application of appropriate preventative controls and corrective actions.

Improvements made in 2017-18 to policies and procedures and redevelopment of our website and membership database have mitigated governance operational risk and the board is now focused on managing commercial risk.

As part of the business planning process, the board identified the risks associated with each area of operation, these risks will be reviewed and mitigating actions put in place by the committee responsible for each strategic area. As part of our improved governance structure, the board has created a governance and risk management committee who will review operational activities and risk on behalf of the board.

The Association of Graduate Careers Advisory Services (A company limited by guarantee)

Trustees' Report (continued) For the year ended 31 July 2020

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Association of Graduate Careers Advisory Services for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic 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. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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**Trustees' Report (continued)
For the year ended 31 July 2020**

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees confirm that they have complied with the duty section 4(1) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Auditor

Hawsons Chartered Accountants, having expressed willingness to continue in office, will be deemed reappointed for the next year financial year in accordance with section 487(1) of the Companies Act 2006.

This report, incorporating the Strategic report, was approved by the Trustees, in their capacity as company directors, on XXXXXX 2020 and signed on their behalf by:

Elizabeth Wilkinson
Trustee

The Association of Graduate Careers Advisory Services (A company limited by guarantee)

Independent Auditors' Report to the Trustees of The Association of Graduate Careers Advisory Services

Opinion

We have audited the financial statements of The Association of Graduate Careers Advisory Services (the 'charitable company') for the year ended 31 July 2020 which comprise the statement of financial activities (including the income and expenditure account), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern. For example, it is difficult to evaluate all of the potential implications of the current COVID-19 outbreak on the charitable company's income, employees, customers, suppliers and the wider economy.

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Independent Auditors' Report to the Trustees of The Association of Graduate Careers Advisory Services

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 2 to 13 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the director's report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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Independent Auditors' Report to the Trustees of The Association of Graduate Careers Advisory Services

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

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**Independent Auditors' Report to the Trustees of The Association of Graduate Careers
Advisory Services**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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

Simon Bladen, Senior Statutory Auditor
for and on behalf of Hawsons Chartered Accountants, Statutory Auditors

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Hawsons Chartered Accountants is eligible to act an auditor in terms of section 1212 of the Companies Act 2006.

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Statement of Financial Activities
(Including the Income and Expenditure Account)
Year ended 31 July 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 (note 18) £
Income					
Charitable activities	2	1,089,942	18,168	1,108,110	1,302,283
Investments		1,697	-	1,697	2,065
Total income		1,091,639	18,168	1,109,807	1,304,348
Expenditure					
Charitable activities	3	1,072,376	18,168	1,090,544	1,263,089
Total expenditure		1,072,376	18,168	1,090,544	1,263,089
Net income/(expenditure)		19,263	-	19,263	41,259
Transfer between funds		-	-	-	-
Other recognised gains / (losses)					
Actuarial gain / (loss) on defined benefit scheme		90,633	-	90,633	(178,232)
Net movement in funds		109,896	-	109,896	(136,973)
Total funds brought forward		258,237	-	258,237	395,210
Total funds carried forward		368,133	-	368,133	258,237

All income and expenditure relate to continuing activities.

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

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Balance Sheet
As at 31 July 2020**

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	6	8,937	24,256
Tangible assets	7	4,662	7,830
		<u>13,599</u>	<u>32,086</u>
Current assets			
Debtors	8	144,004	240,793
Cash at bank and in hand		663,476	552,906
		<u>807,480</u>	<u>793,699</u>
Creditors: amounts falling due within one year	9	<u>(275,681)</u>	<u>(299,650)</u>
Net current assets		<u>531,799</u>	494,049
Total assets less current liabilities		<u>545,398</u>	<u>526,135</u>
Defined benefit pension liability	11	(177,265)	(267,898)
Net assets		<u>368,133</u>	<u>258,237</u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		368,133	258,237
Total funds	12	<u>368,133</u>	<u>258,237</u>

The financial statements were approved and authorised for issue by the Trustees on xxxxx.

Signed on behalf of the board of trustees

Elizabeth Wilkinson

Trustee

The notes on pages 21 to 33 form part of these financial statements.

Company registration number 3884685

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Statement of Cash Flows
Year ended 31 July 2020**

	Note	2020	2019
		£	£
Cash flow from operating activities	14	<u>110,743</u>	<u>653</u>
Cash flow from investing activities:			
Interest receivable		1,697	2,065
Payments to acquire tangible fixed assets		(1,870)	(4,834)
Net cash flow from investing activities		<u>(173)</u>	<u>(2,769)</u>
Net increase(decrease) in cash and cash equivalents		110,570	(2,116)
Cash and cash equivalents brought forward		<u>552,906</u>	<u>555,022</u>
Cash and cash equivalents carried forward	15	<u>663,476</u>	<u>552,906</u>

The Association of Graduate Careers Advisory Services (A company limited by guarantee)

Notes to the Financial Statements Year ended 31 July 2020

1. Accounting Policies

1.1 General information and basis of preparation

The Association of Graduate Careers Advisory Services is a registered charity and a company limited by guarantee, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office is R8D Riverside Building, Sheafbank Business Park, Sheffield, S2 3EN.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

After making appropriate enquiries and due consideration of all the relevant factors including the current Covid-19 pandemic, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Trustees' Report.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

1.4 Income

Income from charitable activities are recognised on a receivable basis. As a result, income for training courses, graduate fairs, conferences and membership subscriptions which relates to future accounting years, is deferred and held on the balance sheet.

The recognition of grants in these financial statements includes judgments as to whether performance or other relevant entitlement conditions have been met.

Income is deferred on when it is invoiced or received in advanced of delivery of the associated service.

Investment income is recognised in the financial statements on a receivable basis.

1.5 Expenditure

Expenditure is recognised in the financial statements on an accruals basis, and is allocated between:

- expenditure incurred directly in the fulfilment of the charity's objectives (charitable activities)
- expenditure associated with meeting the constitutional and statutory requirements of the charity (governance)

Items of expenditure involving more than one cost category are apportioned on a time spent basis.

1.6 Intangible fixed assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful life is as follows:

Website - 3 years straight line

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised or those deemed to be capital by management.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures and fittings	-	10 years straight line
Office equipment	-	10 years straight line
Computer equipment	-	3 years straight line

1.8 Pension schemes

The retirement benefits for employees of the charity is provided by the Universities Superannuation Scheme (USS). This is a defined benefit scheme.

The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, as required by Section 28 of FRS 102 "Employee benefits", the Charity accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the Charity also now recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

The determination of the pension cost and the present value of the defined benefit obligation of the Charity's defined benefit pension scheme depends on the selection of certain assumptions which include life expectancy, salary increases, staff changes, asset valuations and the discount rate on corporate bonds. Management estimates these factors, using external professional advice, in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. Differences arising from actual experience or future changes in assumptions will be reflected in subsequent periods. Note 17 provides information on the assumptions used in these financial statements.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

1.10 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial statements are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Statement of Financial Activities. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Grants—Graduate Placement Programme	-	18,168	18,168	47,944
Coronavirus job retention scheme grants	23,773	-	23,773	-
Conferences and training	372,993	-	372,993	538,412
Graduate fairs	204,005	-	204,005	224,311
Service Level Agreement income	106,830	-	106,830	111,007
Subscriptions	346,035	-	346,035	356,045
Publications, DVDs	210	-	210	34
Other income	36,096	-	36,096	24,530
	1,089,942	18,168	1,108,110	1,302,283

Net expenditure for the year and deficit of income over expenditure is stated after charging:

	2020 £	2019 £
Depreciation	5,038	3,752
Amortisation	15,319	15,321
Auditor's remuneration	8,750	8,250
Operating lease rentals	8,873	9,313
Irrecoverable VAT	8,464	17,546

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

3. Analysis of expenditure

	Direct Costs 2020 £	Direct Staff Costs and Dep'n 2020 £	Support costs 2020 £	Total 2020 £	Total 2019 £
Graduate Placement Programme	4,159	14,009	-	18,168	47,944
Conferences and training	172,896	101,973	127,587	402,456	530,884
Governance	21,233	10,012	5,671	36,916	47,943
Graduate fairs	184,378	5,127	8,506	198,011	217,130
Service Level Agreements	7,200	90,173	36,859	134,232	147,635
Subscriptions	-	99,096	53,870	152,966	134,523
Publications, DVDs	13,371	15,764	11,341	40,476	47,626
Other	-	2,035	28,352	30,387	32,713
Research	543	65,048	11,341	76,932	56,691
Total	403,780	403,237	283,527	1,090,544	1,263,089

Support Costs

	Staff Costs £	Other Costs £	Total £
Charitable activities	207,916	75,611	283,527

Support Costs are attributed proportionally based on cost centre activity.

4. Staff costs

The average monthly number of employees during the year was as follows:

2020 No.	2019 No.
15	15

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2020 No.	2019 No.
£60,000 - £70,000	-	-
£70,001 - £80,000	1	1

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

4. Staff costs (continued)

The total cost of employment in relation to senior management (Executive Director, Learning Manager, Head of Member Services and the Head of External Relations) was £198,874 (2019: £223,232). The total cost of employment includes, basic salary, employer's national insurance contributions and employer's pension contributions.

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	456,038	449,983
Social security costs	40,409	40,917
Pension costs	87,808	75,827
Movement on USS provision	(90,633)	178,232
Total	<u>493,622</u>	<u>744,959</u>

The pension contributions are in respect of employer's contributions to the USS pension scheme. During the year 15 employees (2019: 14) participated in this scheme.

	2020	2019
	£	£
Aggregate expenses reimbursed to Trustees	<u>1,187</u>	<u>1,691</u>

The above expenses were reimbursed in respect of the Trustees' travel and subsistence costs. 6 Trustees (2019: 6) were reimbursed in respect of such expenses. None of the Trustees received any remuneration during the year.

Indemnity insurance has been taken out by AGCAS on behalf of its Trustees and officers and represents one element in the all-encompassing insurance policy which in total amounts to £2,599 (2019: £2,578).

5. Taxation

There is no charge to taxation as the charity qualified for exemption from corporation tax under section 478 CTA 2010 during the year.

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

6. Intangible fixed assets

	Website £
Cost	
At 1 August 2019 and 31 July 2020	<u>45,960</u>
Amortisation	
At 1 August 2019	21,704
Charge for the year	15,319
At 31 July 2020	<u>37,023</u>
Net book value	
At 31 July 2020	<u>8,937</u>
At 31 July 2019	<u>24,256</u>

7. Tangible fixed assets

	Fixtures and fittings £	Office and computer equipment £	Total £
Cost			
At 1 August 2019	790	14,409	15,199
Additions	-	1,870	1,870
At 31 July 2020	<u>790</u>	<u>16,279</u>	<u>17,069</u>
Depreciation			
At 1 August 2019	130	7,239	7,369
Charge for the year	79	4,959	5,038
At 31 July 2020	<u>209</u>	<u>12,198</u>	<u>12,407</u>
Net book value			
At 31 July 2020	<u>581</u>	<u>4,081</u>	<u>4,662</u>
At 31 July 2019	<u>660</u>	<u>7,170</u>	<u>7,830</u>

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

8. Debtors

	2020	2019
	£	£
Trade debtors	107,402	191,669
Prepayments and accrued income	34,461	46,983
Other debtors	2,141	2,141
	<u>144,004</u>	<u>240,793</u>

9. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	13,412	26,029
Other taxation and social security	7,358	12,125
Accruals and other creditors	125,148	123,012
Deferred income	129,763	138,484
	<u>275,681</u>	<u>299,650</u>

10. Deferred income

	2020	2019
	£	£
At 1 August	138,484	176,682
Released in year	(138,484)	(176,682)
Deferred in year	129,763	138,484
Balance at 31 July	<u>129,763</u>	<u>138,484</u>

Income is deferred when it is invoiced or received in advance of delivery of the associated service.

11. Defined benefit pension liability

	2020	2019
	£	£
USS Pension deficit	<u>177,265</u>	<u>267,898</u>

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

12. Restricted and unrestricted funds

	Balance at 1 August 2019 £	Income £	Expenditure including gain/(loss) £	Transfer	Balance at 31 July 2020 £
Restricted					
ScotGrad Project	-	18,168	(18,168)	-	-
Unrestricted					
Designated - Graduate fairs	36,159	-	-	-	36,159
General	222,078	1,091,639	(981,743)	-	331,974
Total unrestricted funds	258,237	1,091,639	(981,743)	-	368,133
Total funds	258,237	1,109,807	(999,911)	-	368,133

	Balance at 1 August 2018 £	Income £	Expenditure including gain/(loss) £	Transfer	Balance at 31 July 2019 £
Restricted					
ScotGrad Project	-	47,944	(47,944)	-	-
Unrestricted					
Designated - Graduate fairs	36,159	-	-	-	36,159
General	359,051	1,256,404	(1,393,377)	-	222,078
Total unrestricted funds	395,210	1,256,404	(1,393,377)	-	258,237
Total funds	395,210	1,304,348	(1,441,321)	-	258,237

Scottish Enterprise and Skills Development Scotland provide grant funding for AGCAS to run ScotGrad – Graduate Placement Programme.

The designated fund of £36,159 represents a contingency reserve in the event of a shortfall of funds resulting from the graduate fairs. The funds are represented by short-term deposits.

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

13. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2020 Total £
Intangible fixed assets	8,937	-	8,937
Tangible fixed assets	4,662	-	4,662
Current assets	807,480	-	807,480
Creditors due within one year	(275,681)	-	(275,681)
Defined benefit pension liability	(177,265)	-	(177,265)
	<u>368,133</u>	<u>-</u>	<u>368,133</u>
	Unrestricted funds £	Restricted funds £	2019 Total £
Intangible fixed assets	24,256	-	24,256
Tangible fixed assets	7,830	-	7,830
Current assets	783,239	10,460	793,699
Creditors due within one year	(289,190)	(10,460)	(299,650)
Defined benefit pension liability	(267,898)	-	(267,898)
	<u>258,237</u>	<u>-</u>	<u>258,237</u>

14. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the year	109,896	(136,973)
Adjustment for:		
Amortisation of intangible fixed assets	15,319	15,321
Depreciation of tangible fixed assets	5,038	3,752
Interest receivable	(1,697)	(2,065)
Decrease in debtors	96,789	21,467
(Decrease)/increase in creditors and liabilities	(114,602)	99,151
Net cash flow from operating activities	<u>110,743</u>	<u>653</u>

15. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>663,476</u>	<u>552,906</u>

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

16. Operating lease commitments

At 31 July 2020 the company had total commitments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Future minimum lease payments due:		
Not later than one year	1,000	6,000
Later than one year but within five years	-	1,000
Total	<u>1,000</u>	<u>7,000</u>

17. Pensions and similar obligations

The institution participates in Universities Superannuation Scheme (USS) which is the main scheme covering most academic and academic-related staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee Benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Fund Account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The total cost charged to the Fund Account is £87,808 (2019: £75,827) as shown in note 4.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the organisation cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Years 1-10: CPI - 0.14% reducing linearly to CPI - 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21 +: CPI + 1.55%
Pension increase (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 valuation
Mortality base table	<u>Pre-retirement:</u> 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females. <u>Post-retirement:</u> 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa. for males and 1.6% pa. for females.

The current life expectancies on retirement at age 65 are:

	2018 Valuation	2017 Valuation
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2020	2019
Discount rate	2.59%	2.44%
Pensionable salary growth	4.20%	2.11%

**The Association of Graduate Careers Advisory Services
(A company limited by guarantee)**

**Notes to the Financial Statements
Year ended 31 July 2020**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income				
Charitable activities	1,254,339	47,944	1,302,283	1,315,219
Investments	2,065	-	2,065	818
Total income	1,256,404	47,944	1,304,348	1,316,037
Expenditure				
Charitable activities	1,215,145	47,944	1,263,089	1,301,657
Total expenditure	1,215,145	47,944	1,263,089	1,301,657
Transfer between funds				-
Other recognised gains / (losses)				
Actuarial gain / (loss) on defined benefit scheme	178,232	-	178,232	-
Net movement in funds	(136,973)	-	(136,973)	14,380
Total funds bought forward	395,210	-	395,210	380,830
Total funds carried forward	258,237	-	258,237	395,210