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# Financial Statements

## The Association of Graduate Careers Advisory Services

**Annual Report and Financial Statements for the year ended 31 July 2018**

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**Charity numbers: 1078508 and SC038805**  
**Registered number: 3884685**

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## **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

**Trustees, Officers and Advisers**

**Year ended 31 July 2018**

### **Board of Trustees/Directors**

Susan Bennett\*, The University of Warwick (Vice President) (resigned 30 November 2018)

Dr Fiona Christie, University of Salford (appointed 17 August 2018)

Terry Dray, Keele University

Dr Bob Gilworth, The Careers Group, University of London (President from 1 August 2018)

Paul Grattrick, The University of Manchester

Shelagh Green\*, The University of Edinburgh (President) (resigned 26 July 2018)

Jon Howden-Evans, Swansea University (Vice President) (appointed 1 December 2018)

Naomi Oosman-Watts, Newcastle University

Helen Smith, University of Loughborough

Mark Stow, University of Lincoln

Dr Nalayini Thambar, University of Nottingham

Simon Thompson, Sheffield Hallam University (appointed 29 November 2018)

Elizabeth Wilkinson\*, Royal Holloway (Treasurer and Company Secretary)

David Winter, The Careers Group, University of London

\* Also member of the company until change to Articles of Association by written resolution on 12 September 2017

Company registered number: 3884685

Charity registered numbers: 1078508 and SC038805

### **Registered office**

R8D Riverside Building, Sheafbank Business Park, Prospect Road, Sheffield S2 3EN

### **Key management personnel**

Elaine Boyes, Executive Director

Linda Byrne, Learning Manager

Gemma Green, Research and Knowledge Manager

Marcus Andrews, Membership Manager (appointed 20 August 2017)

Gavin Arno, Finance Manager

### **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**

**(A company limited by guarantee)**

### **Trustees' Report**

**Year ended 31 July 2018**

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 2018. 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) (effective 1 January 2015) – (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**

During 2016/17 we consulted with members on updating the charitable objects and articles of association. With agreement of the Charity Commission and the Office of the Scottish Charity Regulator, we updated our articles of association on 12 September 2017. Our new charitable objects are:

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 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 expert organisation for policy consultations and opinion on higher education student career development and graduate employment.

#### **AGCAS's main objectives for 2017-18**

The main objective for 2017-18 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 Higher Education (HE) student career development and graduate employment.

These core strategy areas are underpinned by AGCAS' financial sustainability; robust financial stewardship; a Board that represents the membership and provides strategic direction; a 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 Senior Management Team.

## **The Association of Graduate Careers Advisory Services**

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### **Trustees' Report (continued) Year ended 31 July 2018**

The HE careers landscape is constantly changing, AGCAS focused on four key topic areas during 2017-18:

- Internationalisation
- Regionalisation
- Social Mobility
- Graduate outcomes

In June 2018, the Board agreed to replace Internationalisation with Academic Alignment as a key topic area for 2018/19. In September 2018, the Board agreed to expand the remit of Graduate Outcomes to Data Insight, including on-course and post-course data.

AGCAS's strategy for achieving our objectives for 2017-18 were:

- Development of a new website and database to support increased member engagement, public profile and efficiency.
- Contribute to public discussion and policy consultations on graduate employability and graduate outcomes.
- Cultivate our professional development activities to support our members in developing and maintaining their expertise in careers education, information, advice and guidance.
- Enhance/grow our research programme to support the development of evidence based practice for AGCAS members.
- Develop professional standards for the HE careers profession.

#### **Review of performance against set objectives for 2017-18:**

AGCAS began implementation of the new strategy in January 2017. The board set up six committees and three working parties to deliver these activities.

#### **Committees:**

##### **Advocacy**

AGCAS contributed to a number of government consultations during 2017/18. We contributed to a number of external publications on issues relating to graduate employability and our strategic themes. AGCAS supported HESA in the redevelopment of the Destinations of Leavers of Higher Education survey (DLHE).

##### **Community**

Over the past year, we have seen a 6% increase in volunteer participation in Task Groups including the creation of two new groups for Curriculum Design and Careers Mentoring; as well as the expanded remit of the Health and Related Professions Task Group (formerly known as Medical Careers Advisors Network). The new AGCAS website was launched in March 2018. AGCAS Cymru Wales was launched in September 2018 at its inaugural conference including establishing four special interest groups focusing on key areas for development within the devolved nation.

## **The Association of Graduate Careers Advisory Services**

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**Trustees' Report (continued)**  
**Year ended 31 July 2018**

### **Research and Knowledge**

We delivered one national student insight research project, exploring career readiness, in partnership with 18 AGCAS member services. We ran our annual survey of heads of careers service to capture members' views of the graduate labour market. We delivered a suite of careers information products, published in collaboration with our partners Prospects and GTI Media, providing over 500 individual titles offering expert advice to students and graduates. We published three issues of Phoenix, the AGCAS journal, aligned to strategic themes. We ran the third AGCAS Research Conference, championing evidence-based practice. We collaborated with HECSU on the annual *What Do Graduates Do?* publication. We delivered our annual research exploring the destinations of disabled graduates.

### **Learning**

We delivered 55 learning events in 2017/18, comprising qualification courses, national, regional and bespoke training courses, and conferences. The national conference programme included 12 individual conferences.

### **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. AGCAS established a staff group to ensure compliance with General Data Protection Regulation (GDPR) and all staff received updated data protection training.

### **Remuneration**

The Board approved a remuneration policy to ensure transparency and fairness in regard to AGCAS staff pay review, they approved formation of a Remuneration Committee to oversee the process and approve Executive Director pay and benefits.

### **Working Parties:**

#### **Professionalism**

Gained members feedback on the draft AGCAS Membership Quality Standard process and code of ethics; through consultation with Heads of Service (HOS) and as part of two conferences workshops and an online survey. Based on feedback, the working party have created a draft AGCAS Membership Quality Standard, code of ethics, complaint and concerns procedure and a self-evaluation document (SED) which was piloted with 11 member services.

#### **Nominations**

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

#### **Social Mobility**

We have published an issue of Phoenix on this theme in February 2018, which was well received by our external stakeholders and contributed to a HEPI publication on priorities for the Office for Students' Director of Fair Access and Participation. We have collaborated with the Institute for Student Employers (ISE) on a roundtable event between career services and employers.

#### **Significant AGCAS activities 2017-18:**

The new Articles of Association were approved by voting members in September 2017. The Board approved the AGCAS Regulations in March 2018.

## **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

### **Trustees' Report (continued) Year ended 31 July 2018**

The AGCAS website was relaunched in March 2018 along with a new membership database to support operational activity.

AGCAS relocated to a new office in October 2017 to increase efficiency and cost effectiveness.

### **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.
- 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 14 member Universities in Scotland, and a very active Scottish network who annually organise a conference for Scottish members. AGCAS also organises two major graduate fairs in Scotland in conjunction with the University of Glasgow and the University of Strathclyde. AGCAS continued to deliver the Scottish Government-funded ScotGrad programme.

#### **Objectives for 2018/19:**

The focus will be on supporting AGCAS members with developing and sharing best practice and giving them voice in the debate around our four strategic themes.

For 2018/19, the Board has reviewed the strategic themes and will replace Internationalisation and Graduate Outcomes with Academic Alignment and Data Insights.

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

#### **Advocacy**

- Developing strong purposeful strategic partnerships with key external organisations, establishing AGCAS as the authoritative expert voice on graduate employability
- Identifying and lobbying on key advocacy themes on behalf of the membership
- Developing our responsiveness to the policy landscape
- We will take into account the four nations policy landscape

## **The Association of Graduate Careers Advisory Services**

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### **Trustees' Report (continued)**

**Year ended 31 July 2018**

#### **Community**

- Review of the current subscription model and recommendations presented to Board of Directors and Advisory Council for implementation in 2019/20.
- Member-to-member communication improvements to ensure members know where they need go to for further information, resources and updates; including developed use of the website, discussion groups and LinkedIn.
- Develop and implement the ALO initiative, with the Advocacy Committee, to develop strong, mutually beneficial, and operational partnerships with important organisations that will be of benefit to our members.
- Development of the member engagement strategy (The AGCAS Member Journey). Including collating the AGCAS Resources Survey (last completed in 2016) and piloting one new initiative that will be of benefit to current members.
  
- Develop and start to implement a three-year business development plan. Targeting lapsed members, non-member UK and overseas HE institutions, as well as any other key potential members in focus areas; agreed with the Board of Directors.
- Finalise the Heads Group Terms of Reference.

#### **Learning**

- Enhance professionalism and expertise of all involved in HE careers work.
- Support maintenance of professional standards.
- Equip members with knowledge, skills and confidence to take a lead in public debate on employability (advocacy).
- Support and promote evidence based practice (research).
- Develop people and expertise through involvement in the delivery of learning activities (not just participation).

#### **Quality**

- The 'roll out' of the AGCAS Membership Quality Standard (which will be completed every three years) across all member services; as part of the 2018/19 subscriptions.
- External training for Professionalism Working Party to carry out peer reviews.
- Pilot of the peer review visits.
- For the PWP to identify and recommend, if appropriate, routes to professional status.

#### **Research and Knowledge**

- Develop unique insights into student engagement, needs, preferences and behaviours in relation to careers and employability.
- Review careers information content/knowledge outputs.

We are focusing on four time-sensitive topics within the period of the strategy; these key topics are likely to change over time:

#### **Regionalisation**

AGCAS will be an active voice in national and local government skills and employability agendas positioning the association and its members as regional and national expert cross the UK nations. We will ascertain what regional knowledge is sought by member services and re-configure regional training groups to focus on regional needs. AGCAS will encourage and provide support for members service involvement with regional bodies in their area.



## **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**Year ended 31 July 2018**

### **Social Mobility**

AGCAS has established a working party to develop our activities for this strategic theme, they will review how social mobility issues and activity support the AGCAS strategy, AGCAS members, the HE careers profession and wider society.

They will review members' interests, activities, measures and outcomes related to enhancing student and graduate social mobility and support the enhancement of social mobility by promoting and communicating best practice within the AGCAS membership and HE sector.

The Social Mobility Director and working party will engage with external bodies as appropriate and contribute to discussion, policy development and professional practice, working closely with the AGCAS Advocacy Committee.

### **Academic Alignment**

There is a wide variation across our member institutions on how employability is delivered to students, this theme enables AGCAS to contribute to the integration of employability, regardless of whether it's within the curriculum, co-curricular, or extra-curricular (or a combination); while also encompassing effective relationship building with academics and collaborations around the concept of careers education.

### **Data Insights**

Widening the data remit to include on course data as well as post-graduation data.

Over the last year there have been continued and significant changes in the Higher Education Data Landscape and in particular with regards to the careers and employability agenda. The prominence of data within our member institutions has increased significantly and there continues to be a growing need for AGCAS to inform and support our members.

In order to respond to a growing need within our membership and the wider sector for more support, advocacy, information and high quality input around student and graduate careers and employability data, we will focus on the different areas of data and capitalising on our relationships with key influencers and stakeholders.

### **Review of Financial position**

This year we have made a surplus of £14,380 (2017: £5,796). This result represents a better than anticipated performance as we had budgeted for a deficit in 2017/18.

Total income for the year decreased by £69,193 (4.9%) to £1.316 million (2017: £1.385 million). The decrease was due to: A decrease in ScotGrad income to £59,180 (2017: £86,957) due to lower costs being invoiced onwards, a modest reduction in subscription income to £335,437 (2017 £353,791) and a reduction in the Scottish Fairs income to £245,596 (2017 £261,031).

Expenditure reduced by £77,777 (5.6%) to £1.302 million (2017: £1.379 million).

Total net assets at 31 July 2018 were £395,210 (2017: £380,830) with the increase reflecting the movement in funds for the year. £395,210 (2017: £353,323) relates to unrestricted funds with no restricted funds at the balance sheet date (2017: £27,507).

## **The Association of Graduate Careers Advisory Services**

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### **Trustees' Report (continued)**

**Year ended 31 July 2018**

#### **Investment performance**

The size of the reserves severely limits the opportunities for any longer-term investment activity. The policy is therefore to retain funds as cash and place them on bank deposit. With the continuation of historically low interest rates investment income was £818 (2017: £207).

#### **Going concern**

The Trustees have reviewed and approved a surplus operational budget of £1.4k for the year to 31 July 2019. This, together with unrestricted funds of £395,210, the Trustees are confident in adopting the going concern basis in preparing the financial statements.

#### **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 of free reserves. This equates to 3 months of budgeted income in 2018/19. 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.

### **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.

#### **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. All Board roles are supported by a role description which identified the skills required to undertake the Board remit, 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 four teams working in Community (membership), Research and Knowledge, Learning and Communications, as well as a finance and operations team. However, given the limited numbers of staff and the size and scale of many of the organisation's undertakings, a large degree of collaborative working is required in order to successfully achieve the desired outcomes.

## **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**Year ended 31 July 2018**

### **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 university 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.

AGCAS members contribute a huge amount of time and effort through their involvement in 5 committees, 3 working party, 15 Task Groups, 4 operational specific groups and 7 regional training groups; while 9 organisations AGCAS has formal links with have nominated AGCAS voluntary Liaison Officers (ALOs). 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: HEPI publication on priorities for the Office for Student Director of Access and Participation, Universities UK employability conference, HESA Graduate Outcomes Survey development.

AGCAS has commercial relationships with Prospects 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 during the year 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.

## **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

### **Trustees' Report (continued) Year ended 31 July 2018**

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.

#### **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 and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (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 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 (as amended). 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.

## **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**Year ended 31 July 2018**

### **Disclosure of information to auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Trustees have taken all the steps that they ought to have been taken to make themselves aware of any relevant audit information and to establish that the 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 was approved by the Trustees, in their capacity as company directors, on 5 December 2018 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 2018 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 2018 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.

## **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 (continued)**

#### **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 1 to 11 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.

## **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 (continued)**

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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.



## 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 (continued)

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

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

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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

20 December 2018

**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 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 (note 18) £
<b>Income</b>					
Charitable activities	2	1,256,039	59,180	1,315,219	1,385,023
Investments		818	-	818	207
<b>Total income</b>		<b>1,256,857</b>	<b>59,180</b>	<b>1,316,037</b>	<b>1,385,230</b>
<b>Expenditure</b>					
Charitable activities	3	1,242,477	59,180	1,301,657	1,379,434
<b>Total expenditure</b>		<b>1,242,477</b>	<b>59,180</b>	<b>1,301,657</b>	<b>1,379,434</b>
<b>Net income/(expenditure)</b>		<b>14,380</b>	<b>-</b>	<b>14,380</b>	<b>5,796</b>
<b>Transfer between funds</b>		<b>27,507</b>	<b>(27,507)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>41,887</b>	<b>(27,507)</b>	<b>14,380</b>	<b>5,796</b>
<b>Total funds brought forward</b>		<b>353,323</b>	<b>27,507</b>	<b>380,830</b>	<b>375,034</b>
<b>Total funds carried forward</b>		<b>395,210</b>	<b>-</b>	<b>395,210</b>	<b>380,830</b>

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 Year ended 31 July 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	6	39,577	24,126
Tangible assets	7	<u>6,748</u>	<u>4,782</u>
		46,325	28,908
<b>Current assets</b>			
Debtors	8	262,260	659,383
Cash at bank and in hand		<u>555,022</u>	<u>514,861</u>
		817,282	1,174,244
Creditors: amounts falling due within one year	9	<u>(378,731)</u>	<u>(730,180)</u>
Net current assets		438,551	444,064
Total assets less current liabilities		<u>484,876</u>	<u>472,972</u>
Defined benefit pension liability	11	(89,666)	(92,142)
Net assets		<u>395,210</u>	<u>380,830</u>
<b>Charity funds</b>			
Restricted funds		-	27,507
Unrestricted funds		395,210	353,323
Total funds	12	<u>395,210</u>	<u>380,830</u>

The financial statements were approved and authorised for issue by the Trustees on 5 December 2018.

Signed on behalf of the board of trustees



Elizabeth Wilkinson

Trustee

The notes on pages 19 to 30 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 2018**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
<b>Cash flow from operating activities</b>	<b>14</b>	<b><u>67,305</u></b>	<b><u>(114,312)</u></b>
<b>Cash flow from investing activities:</b>			
Payments to acquire intangible fixed assets		<b>(21,834)</b>	<b>(24,126)</b>
Payments to acquire tangible fixed assets		<b>(5,310)</b>	<b>(5,055)</b>
<b>Net cash flow from investing activities</b>		<b><u>(27,144)</u></b>	<b><u>(29,181)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>40,161</b>	<b>(143,493)</b>
<b>Cash and cash equivalents brought forward</b>		<b><u>514,861</u></b>	<b><u>658,354</u></b>
<b>Cash and cash equivalents carried forward</b>	<b>15</b>	<b><u>555,022</u></b>	<b><u>514,861</u></b>

# **The Association of Graduate Careers Advisory Services**

**(A company limited by guarantee)**

## **Notes to the Financial Statements Year Ended 31 July 2018**

### **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 UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), 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, 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 2018**

#### **1.4 Income**

Income from charitable activities are recognised on a receivable basis. As a result, income for training courses, graduate fairs, Biennial and Plenary, 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
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## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 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 2018

### 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 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Grants	-	59,180	59,180	86,957
Annual, Conferences and training	531,632	-	531,632	517,707
Graduate fairs	245,596	-	245,596	261,031
Service Level Agreement income	119,004	-	119,004	130,250
Subscriptions	335,437	-	335,437	353,791
Publications, DVDs	471	-	471	2,342
Other income	23,899	-	23,899	32,945
	<u>1,256,039</u>	<u>59,180</u>	<u>1,315,219</u>	<u>1,385,023</u>

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

	2018 £	2017 £
Depreciation	3,344	1,696
Amortisation	6,383	-
Auditor's remuneration	7,850	9,900
Operating lease rentals	14,038	21,330
Irrecoverable VAT	<u>23,225</u>	<u>28,658</u>



## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 3. Analysis of expenditure

	Other Direct Costs 2018 £	Direct Staff Costs and Dep'n 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Grants	(5,798)	34,831	6,295	35,328	69,354
Annual, Conferences and training	289,159	122,070	135,345	546,574	582,620
Governance	23,308	16,509	6,295	46,112	48,910
Graduate fairs	221,401	4,531	9,443	235,375	249,109
Service Level Agreements	12,527	98,380	40,918	149,825	167,300
Subscriptions	-	69,110	59,804	128,914	92,406
Publications, DVDs	21,425	40,311	12,590	74,326	69,942
Other	-	973	31,829	32,802	41,049
Research	1,322	38,489	12,590	52,401	58,744
<b>Total</b>	<b>563,344</b>	<b>423,204</b>	<b>315,109</b>	<b>1,301,657</b>	<b>1,379,434</b>

#### Support Costs

	Staff Costs £	Other Costs £	Total £
Charitable activities	183,167	131,942	315,109

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:

2018 No.	2017 No.
17	16

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

	2018 No.	2017 No.
£60,001 - £70,000	-	2
£70,001 - £80,000	1	-
	<u>1</u>	<u>2</u>

## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 4. Staff costs (continued)

The total cost of employment in relation to senior management (Executive Director, Learning Manager, Membership Manager, Research and Knowledge Manager and Finance and Operations Manager) was £295,270 (2017: £278,115). 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:

	2018 £	2017 £
Wages and salaries	480,079	518,745
Social security costs	42,377	33,245
Pension costs	76,660	77,413
Movement on USS provision	(2,476)	7,471
<b>Total</b>	<b>596,640</b>	<b>636,874</b>

The pension contributions are in respect of employer's contributions to the USS pension scheme. During the year 14 employees (2017: 17) participated in this scheme.

	2018 £	2017 £
Aggregate expenses reimbursed to Trustees	<u>3,016</u>	<u>4,500</u>

The above expenses were reimbursed in respect of the Trustees' travel and subsistence costs and relate to all of the Trustees. 6 Trustees (2017: 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 £2,256 (2017: £2,216).

#### 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 2018**

**6. Intangible fixed assets**

	<b>Website £</b>
<b>Cost</b>	
At 1 August 2017	24,126
Additions	21,834
<b>At 31 July 2018</b>	<u><b>45,960</b></u>
<b>Amortisation</b>	
At 1 August 2017	-
Charge for the year	6,383
<b>At 31 July 2018</b>	<u><b>6,383</b></u>
<b>Net book value</b>	
At 31 July 2018	<u><b>39,577</b></u>
At 31 July 2017	<u><b>24,126</b></u>

**7. Tangible fixed assets**

	<b>Fixtures and fittings £</b>	<b>Office and computer equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 August 2017	8,216	46,958	55,174
Additions	790	4,520	5,310
<b>At 31 July 2018</b>	<u><b>9,006</b></u>	<u><b>51,478</b></u>	<u><b>60,484</b></u>
<b>Depreciation</b>			
At 1 August 2017	8,097	42,295	50,392
Charge for the year	170	3,174	3,344
<b>At 31 July 2018</b>	<u><b>8,267</b></u>	<u><b>45,469</b></u>	<u><b>53,736</b></u>
<b>Net book value</b>			
At 31 July 2018	<u><b>739</b></u>	<u><b>6,009</b></u>	<u><b>6,748</b></u>
At 31 July 2017	<u><b>119</b></u>	<u><b>4,663</b></u>	<u><b>4,782</b></u>

## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 8. Debtors

	2018 £	2017 £
Trade debtors	193,592	576,472
Prepayments and accrued income	65,830	82,911
Other debtors	2,838	-
	<u>262,260</u>	<u>659,383</u>

#### 9. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	42,713	54,796
Other taxation and social security	22,103	69,252
Accruals and other creditors	137,233	192,937
Deferred income	176,682	413,195
	<u>378,731</u>	<u>730,180</u>

#### 10. Deferred income

	2018 £	2017 £
At 1 August	413,195	499,296
Released in year	(413,195)	(499,296)
Deferred in year	176,682	413,195
Balance at 31 July	<u>176,682</u>	<u>413,195</u>

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

#### 11. Defined benefit pension liability

	2018 £	2017 £
USS Pension deficit	<u>89,666</u>	<u>92,142</u>

## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 12. Restricted and unrestricted funds

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfer	Balance at 31 July 2018 £
<b>Restricted</b>					
ScotGrad Project	<u>27,507</u>	<u>59,180</u>	<u>(59,180)</u>	<u>(27,507)</u>	<u>-</u>
<b>Unrestricted</b>					
Designated - Graduate fairs	36,159	-	-	-	36,159
General	<u>317,164</u>	<u>1,256,857</u>	<u>(1,242,477)</u>	<u>27,507</u>	<u>335,199</u>
<b>Total unrestricted funds</b>	<u>353,232</u>	<u>1,256,857</u>	<u>(1,242,477)</u>	<u>27,507</u>	<u>395,210</u>
<b>Total funds</b>	<u>380,830</u>	<u>1,316,037</u>	<u>(1,301,657)</u>	<u>-</u>	<u>395,210</u>

	Balance at 1 August 2016 £	Income £	Expenditure £	Transfer	Balance at 31 July 2017 £
<b>Restricted</b>					
ScotGrad Project	<u>-</u>	<u>86,957</u>	<u>(59,450)</u>	<u>-</u>	<u>27,507</u>
<b>Unrestricted</b>					
Designated - Graduate fairs	36,159	-	-	-	36,159
General	<u>338,875</u>	<u>1,298,273</u>	<u>(1,319,984)</u>	<u>-</u>	<u>317,164</u>
<b>Total unrestricted funds</b>	<u>375,034</u>	<u>1,298,273</u>	<u>(1,319,984)</u>	<u>-</u>	<u>353,323</u>
<b>Total funds</b>	<u>375,034</u>	<u>1,385,230</u>	<u>(1,379,434)</u>	<u>-</u>	<u>380,830</u>

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 transfer between funds represents funds that were previously included within restricted funds which are not subject to a restriction.

## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 13. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2018 Total £
Intangible fixed assets	39,577	-	39,577
Tangible fixed assets	6,748	-	6,748
Current assets	817,282	-	817,282
Creditors due within one year	(378,731)	-	(378,731)
Defined benefit pension liability	(89,666)	-	(89,666)
	<u>395,210</u>	<u>-</u>	<u>395,210</u>
	Unrestricted funds £	Restricted funds £	2017 Total £
Intangible fixed assets	24,128	-	24,128
Tangible fixed assets	4,782	-	4,782
Current assets	1,087,287	86,957	1,174,244
Creditors due within one year	(670,730)	(59,450)	(730,180)
Defined benefit pension liability	(92,142)	-	(92,142)
	<u>353,323</u>	<u>27,507</u>	<u>380,830</u>

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

	2018 £	2017 £
Net income for the year	14,380	5,796
<b>Adjustment for:</b>		
Amortisation of intangible fixed assets	6,383	-
Depreciation of tangible fixed assets	3,344	1,696
Decrease/(increase) in debtors	397,123	(50,693)
Decrease in creditors and liabilities	(353,925)	(71,111)
<b>Net cash flow from operating activities</b>	<u>67,305</u>	<u>(114,312)</u>

#### 15. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>555,022</u>	<u>514,861</u>

## The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

### Notes to the Financial Statements Year Ended 31 July 2018

#### 16. Operating lease commitments

At 31 July 2018 the company had total commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
<b>Future minimum lease payments due:</b>		
Not later than 1 year	<u>4,500</u>	<u>1,053</u>

#### 17. Pensions and similar obligations

The total cost charged to the profit and loss account is £76,660 (2017: £77,413) as shown in note 4.

The latest available full actuarial valuation of the scheme was at 31 March 2014 (the valuation date), which was carried out using the projected unit method. The valuation as at 31 March 2017 is underway.

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 2014 valuation was the third valuation for USS 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 assets of the scheme was £41.6 billion and the value of the scheme's technical provisions was £46 billion indicating a shortfall of £5.3 billion. The assets therefore were sufficient to cover 89% of the benefits which had been accrued to members after allowing for expected future increases in earnings.

Defined benefit liability numbers for the scheme had been produced using the following assumptions:

	2018	2017
Discount rate	2.64%	2.57%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.02%	2.41%

The main demographic assumption used relates to the mortality assumptions. Mortality in retirement is assumed to be in line with the Continuous Mortality Investigation's (CMI) S1NA tables as follows:

The use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI 2014 projections with a 1.5% pa long term rate were also adopted. The current life expectancies on retirement at age 65 are:

# The Association of Graduate Careers Advisory Services

(A company limited by guarantee)

## Notes to the Financial Statements Year Ended 31 July 2018

### 17. Pensions and similar obligations (continued)

	2018	2017
Males currently aged 65 (years)	24.5	24.4
Females currently aged 65 (years)	26	26.6
Males currently aged 45 (years)	26.5	26.5
Females currently aged 46 (years)	27.8	29.0
	2018	2017
	£	£
Scheme assets	63.6bn	60.0bn
Total scheme liabilities	72.0bn	77.5bn
FRS 102 total scheme deficit	8.4bn	17.5bn
FRS 102 total funding level	88%	77%

### 18 Statement of financial activities – comparative note

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>Income</b>				
Charitable activities	1,298,066	86,957	1,385,023	1,350,017
Investments	207	-	207	373
<b>Total Income</b>	<b>1,298,273</b>	<b>86,957</b>	<b>1,385,230</b>	<b>1,350,390</b>
<b>Expenditure</b>				
Charitable activities	1,319,984	59,450	1,379,434	1,381,979
<b>Total expenditure</b>	<b>1,319,984</b>	<b>59,450</b>	<b>1,379,434</b>	<b>1,381,979</b>
<b>Net movement in funds</b>	<b>(21,711)</b>	<b>27,507</b>	<b>5,796</b>	<b>(31,589)</b>
Total funds brought forward	375,034	-	375,034	406,623
<b>Total funds carried forward</b>	<b>353,323</b>	<b>27,507</b>	<b>380,830</b>	<b>375,034</b>