

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association: Association of Colleges

Year ended: 31.03.21

List No:

Head or Main Office: 2-5 Stedham Place

London

Postcode WC1A 1HU

Website address (if available) www.aoc.coc.uk

Has the address changed during the year to which the return relates? Yes No ('X' in appropriate box)

General Secretary: David Hughes. Chief Executive

Contact name for queries regarding the completion of this return: Ami Hartigan

Telephone Number: 020 7034 9900

E-mail: ami.hartigan@aoc.co.uk

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

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Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
258				258

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
President & Vice Chair	S Frampton		31 July 2020
President & Vice Chair	S Dicketts		01 August 2020
Non Executive Director		S Parrett	02 December 2020
Non Executive Director		D Williams	10 March 2021

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
S Mahmood	Chair
S Dicketts	President & Vice Chair
W Baldwin	Non Executive Director
S Barnes	Non Executive Director
A Berry	Non Executive Director
A Bravo	Non Executive Director
P Brophy	Executive Director
S Duncan	Non Executive Director
A Foulkes	Non Executive Director
S Higginson	Deputy Chair
D Hughes	Executive Director
G McDonald	Non Executive Director
S Parrett	Non Executive Director
C Peasgood	Non Executive Director
J Sharma	Non Executive Director
E Thinneresen	Non Executive Director
D Whitmore	Non Executive Director
D Williams	Non Executive Director
J Edwards	Company Secretary

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year		£	£
	Income		
	From Members		
	Subscriptions, levies, etc	5,315,843	5,315,843
	Investment income		
	Interest and dividends (gross)		
	Bank interest (gross)	5,939	5,939
	Other (specify)		
	FRS 102 INTEREST	-276,000	-276,000
	Total Investment Income	-270,061	-270,061
	Other Income		
	Rents received		
	Insurance commission		
	Consultancy fees		
	Publications/Seminars	25,081	25,081
	Miscellaneous receipts (specify)		
	Projects	2,763,665	2,763,665
	Email subscribers & General	99,493	99,493
	Pension Actuarial Loss	-7,894,000	-7,894,000
	Job Retention Scheme	105,421	105,421
	Total of other income		-4,900,340
	Total income		145,442
	Interfund Transfers IN		
	Expenditure		
	Administrative expenses		
	Remuneration and expenses of staff	4,188,767	4,188,767
	Occupancy costs	439,599	439,599
	Printing, Stationery, Post	7,761	7,761
	Telephones	47,523	47,523
	Legal and Professional fees	270,385	270,385
	Miscellaneous (specify)		
	Recruitment, training, temps	29,470	29,470
	Computer Expenses	233,399	233,399
	Research	147,597	147,597
	Press and Media	102,847	102,847
	Other	2,897	2,897
	Total of Admin expenses		5,470,245
	Other Charges		
	Bank charges	269	269
	Depreciation	161,436	161,436
	Sums written off		
	Affiliation fees	27,720	27,720
	Donations		
	Conference and meeting fees	30,020	30,020
	Expenses	30,085	30,085
	Miscellaneous (specify)		
	LPFA Contribution	100,000	100,000
	Irrecoverable VAT	230,791	230,791
	Profit on disposal & subsidiary rental	-12,778	-12,778
	Projects	2,382,025	2,382,025
	Total of other charges		2,949,568
	Taxation	4,845	4,845
	Total expenditure		8,424,658
	Interfund Transfers OUT		
	Surplus/Deficit for year		-8,279,216
	Amount of fund at beginning of year		-9,602,180
	Amount of fund at end of year		-17,881,396

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
			Surplus (Deficit) for the year
			Amount of fund at beginning of year
			Amount of fund at the end of year (as Balance Sheet)

Account 5		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
			Surplus (Deficit) for the year
			Amount of fund at beginning of year
			Amount of fund at the end of year (as Balance Sheet)

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at []

(see notes 19 and 20)

Previous Year		£	£
101	Fixed Assets (as at Page 8)	164,118	164,118
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		101
	Total Investments	101	101
	Other Assets		
	Sundry debtors	869,993	869,993
	Cash at bank and in hand	6,899,783	6,899,783
	Stocks of goods		
	Others (specify)		
	Total of other assets	7,769,776	7,769,776
	Total Assets		7,933,995
-9,602,180	Revenue Account/ General Fund	-17,881,396	
	Revaluation Reserve		
	Liabilities		
	Creditors	5,201,392	
	Defined benefit pension scheme	20,614,000	
	Total Liabilities		25,815,392
	Total Assets		7,933,995

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period			222,218	222,218
Additions during period			103,336	103,336
Less: Disposals				
Less: Depreciation			-161,436	-161,436
Total to end of period			164,118	164,118
Book Amount at end of period			164,118	164,118
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets			164,118	164,118

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	AoC Services Ltd	100
	AoC Sport Ltd	1
	Total Unquoted (as Balance Sheet)	101
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Analysis of investment income (Controlling interests)

(see note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes		No	
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If Yes name the relevant companies:

Company name

Company registration number (if not registered in England & Wales, state where registered)

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Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes		No	
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If NO, please state the names of the persons in whom the shares controlled by the association are registered.

Company name

Names of shareholders

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Unincorporated Employers' Associations

Are the shares which are controlled by the association registered in the names of the association's trustees?

Yes		No	
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If NO, state the names of the persons in whom the shares controlled by the association are registered.

Company name

Names of shareholders

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
		£
Income		
From Members	5,315,843	5,315,843
From Investments	-270,061	-270,061
Other Income (including increases by revaluation of assets)	-4,900,340	-4,900,340
Total Income	145,442	145,442
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	8,424,658	8,424,658
Funds at beginning of year (including reserves)	-9,602,180	-9,602,180
Funds at end of year (including reserves)	-17,881,396	-17,881,396
ASSETS		
Fixed Assets		164,118
Investment Assets		101
Other Assets		7,769,776
Total Assets		7,933,995
Liabilities		
Total Liabilities		25,815,391
Net Assets (Total Assets less Total Liabilities)		-17,881,396

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
	From Members		
	From Investments		
	Other Income (including increases by revaluation of assets)		
	Total Income		
Expenditure			
	(including decreases by revaluation of assets)		
	Total Expenditure		
Funds at beginning of year			
	(including reserves)		
Funds at end of year			
	(including reserves)		
ASSETS			
	Fixed Assets		
	Investment Assets		
	Other Assets		
	Total Assets		
Liabilities			
	Total Liabilities		
Net Assets (Total Assets less Total Liabilities)			

Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

Please see Directors Report & Financial Statements for the Year Ended 31st March 2021.

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Accounting policies

(see notes 35 & 36)


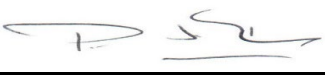
Please see Directors Report and Financial Statements for the Year Ended 31st March 2021.

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Secretary's Signature: 	Chairman's Signature: 
Name: J Edwards	Name: Peter Brophy - Director of Finance
Date: 31.8.2021	Date: 31.08.21

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	x	No	
Has the list of officers been completed? (see Page 2A)	Yes	x	No	
Has the return been signed? (see Note 37)	Yes	x	No	
Has the auditor's report been completed? (see Note 41)	Yes	x	No	
Is the rule book enclosed? (see Note 39)	Yes	x	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	x	No	

Auditor's report (continued)

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Signature(s) of auditor or auditors:		
Name(s):	RSM UK Audit LLP	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es)	25 Farringdon Street, London, EC4A 4AB	
Date:	13 September 2021	
Contact name for enquiries and telephone number:	P Oxtoby 0121 214 3123	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSOCIATION OF COLLEGES

Opinion

We have audited the financial statements of Association of Colleges (the 'union') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the union's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared to meet the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992

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 union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the union's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have

performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept in accordance with the requirements of section 28; or
- a satisfactory system of control over its transactions has not been maintained in accordance with the requirements of that section; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations for which, to the best of our knowledge and belief, we consider necessary for our audit.

Responsibilities of the directors

As explained more fully in the director's responsibilities statement set out on page 16, the Directors 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 directors determines 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 directors are responsible for assessing the union'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 directors either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the union operates in and how the group and the union is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to data protection. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgements and estimates.

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

Use of our report

This report is made solely to the union's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the union'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 union and the union's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

13 September 2021