

# Financial Sustainability, Management and Governance Checks for New Applicants for Educational Oversight: Information for Applicants

All enquiries to:

assessmentservices@qaa.ac.uk

Completed submission to: APFSMG@qaaacuk.onmicrosoft.com

Deadline for submission: 18 weeks before your scheduled review

Submissions must be fully completed, and the fee paid, before the check
can commence.

# Background

1. Higher Education Review (Alternative Providers) has two components: a check
on financial sustainability, management and governance (hereafter 'the FSMG check') and
a review of the applicant's arrangements for maintaining the academic standards and quality of the courses they offer (hereafter 'the review of quality assurance arrangements'). We have introduced the FSMG check to give students reasonable confidence that they should not
be at risk of being unable to complete their course as a result of financial failure of their education provider. The FSMG check begins, and is normally completed, before the review of quality assurance arrangements.
2. This document provides further information to applicants on the FSMG check.

# How the FSMG check works

1. The FSMG check is of the financial sustainability, management and governance arrangements of the applicant and any subsidiary, parent company or linked organisation.
2. Applicants must offer evidence that they are financially sustainable; that financial management is sound; and that a clear relationship exists between the applicant's financial policy and the safeguarding of the quality and standards of its provision. The applicant should also offer evidence that it is governed and managed effectively, with clear and appropriate lines of accountability for its academic responsibilities. Therefore, applicants undergoing the FSMG check are required to provide information on:
* details of the organisation, trading names and addresses, key individuals
(directors, shareholders, trustees) and relationships with other organisations
* adequacy and appropriateness of corporate governance arrangements
* a sufficient track record of financial performance, including submission of three years of signed, audited and full financial statements (see Part 3 of the form)

assurance of financial sustainability over the length of a cohort of students' course from the date of the Higher Education Review (Alternative Providers).

1. The FSMG checks will be carried out by QAA in two stages.
* Stage 1 is a preliminary check that takes place after the submission deadline
and before a full check of the FSMG information commences. Stage 1 must be successfully completed in order to progress to stage 2. Applicants that have not included all the required information will be informed that their FSMG check will
not proceed.
* Stage 2 is a full management and governance check, and includes key financial and individual checks to determine whether there are any material issues.
1. The outcome of the FSMG check shall be either 'material issues identified' or
'no material issues identified'. **The outcome must be 'no material issues identified' in order for applicants to complete the FSMG check**.
2. Should QAA identify material issues at any stage of the FSMG check, then it shall notify the applicant as soon as possible by letter, explaining what the material issue is and why it is considered material. The applicant may then either:
* accept the 'material issues identified' outcome and be withdrawn from the Higher Education Review (Alternative Providers) schedule
* undertake to address the issues to QAA's satisfaction
* ask QAA to review the decision (see paragraph 13).
1. Should the applicant elect to accept the 'material issues identified' outcome,
then QAA will terminate the review of quality assurance arrangements and notify the Home Office and the applicant's awarding bodies or organisations, that the applicant has been removed from the Higher Education Review (Alternative Providers) schedule.
2. Should the applicant choose to undertake to address the material issues,
then it must do so within a reasonable timescale to be specified by QAA. QAA may
prescribe what the applicant has to do to address the material issues; this may include requiring the applicant to agree to undergo additional checks before the next full
FSMG check. In the meantime, QAA will continue with the review of quality assurance arrangements. Should the applicant subsequently fail, in QAA's view, to address the issue, then the outcome of the check shall be 'material issues identified' and QAA shall terminate the review of quality arrangements and notify the Home Office and the applicant's awarding bodies or organisations as described in paragraph 8. **Unsuccessful applicants shall be liable for the costs of Higher Education Review (Alternative Providers), including the review of quality assurance arrangements, up to the point when they agree to withdraw from the process or the process is terminated by QAA.**
3. Should there be no material issues identified, or should any material issues identified be addressed within the timescale specified by QAA, then the outcome shall be
'no material issues identified'.

# How the outcome of the FSMG check will be communicated

1. In the case of 'material issues identified' QAA shall notify the applicant
by letter according to the process described in paragraph 7, explaining the issue and why
it is considered material. QAA shall also notify the Home Office and the applicant's awarding bodies or organisations by letter.
2. In the case of 'no material issues identified', the outcome will be conveyed to the applicant by letter and contained in the introduction to the report of the review of the quality assurance arrangements and on the relevant page on QAA's website.

# Review of 'material issues identified'

1. An applicant who wishes to challenge the identification of material issues in its FSMG check may request a review of the relevant section of its FSMG check. This review will be carried out on the basis of the information supplied by the applicant when it first requested the check by a suitably qualified individual who has had no previous involvement in the applicant's FSMG checks drawn from the pool of such individuals retained by QAA for the purposes of carrying out FSMG checks. The request must identify the grounds upon which the request for the review is made; these statements should make reference to FSMG evidence already supplied. You may also include additional evidence to support, or provide context to, the FSMG evidence already submitted. However, QAA will not accept new evidence where this would require the FSMG check to be repeated, or which materially changes the basis upon which the original FSMG check was performed. The decision of this review will be final and if the material issue identified is upheld the applicant must then accept the decision and be withdrawn from the Higher Education Review (Alternative Providers) schedule or undertake to address the material issue, as described in paragraphs 7-9. If the material issue identified in the first check is not upheld, the outcome will be changed to 'no material issues identified'.

# What the FSMG check looks at

1. In terms of financial sustainability, the applicant will need to give assurances
that they:
* have adequate cash flow to stay solvent (that is, have sufficient liquidity to pay their debts as they fall due)
* have an adequate balance sheet (that is, maintain a net total assets position and not incur deficits if these would result in a net liabilities position).
1. In terms of management and governance, the applicant should describe the management oversight and corporate governance arrangements in place at the applicant. This should include a description of any board of governors and trustees, and any committees (for example, audit committee, finance committee) that provide oversight of the applicant and independent challenge to the senior management. This should also include arrangements that provide assurance over the internal control environment at the applicant (for example, internal audit, external audit) and include any recent or planned changes to
the corporate governance arrangements. The applicant should provide information on terms of reference, membership and frequency of boards and committees, and, where possible, flowcharts of the interaction of these bodies. In terms of management and governance,
the applicant will be assessed against the appropriateness of these arrangements against statutory requirements, compliance with its own memorandum and articles of association, and any good practice that it follows.
2. The FSMG form included in this document requests:
* provider details
* financial information to enable check of financial sustainability
* management and governance information
* a checklist
* the fee
* a declaration.
1. In addition to the FSMG form, all applicants will be expected to provide copies of:
* memorandum of association
* articles of association
* audited full financial statements (these will need to include **all** of the following: income and expenditure account, balance sheet, cash flow statement and notes
to the accounts) for the last **three years** and must be provided **irrespective** of
any statutory exemptions to which the applicant is entitled as a result of its size - these **must be signed** by the director and the auditor, and **must be audited** by an auditor who is listed on the Register of Statutory Auditors[[1]](#footnote-1) and who is **independent** of the preparation of the accounts/financial statements)
* on review of the audited accounts, it will be considered if these are unmodified opinions and whether the accounts provide sufficient and appropriate evidence
of a true and fair view - where any one or more of the most recent financial statements has received a modified audit opinion, this would give rise to a
material issue
* where the applicant's latest audited accounts are from more than six months prior to the FSMG submission current management accounts should be submitted in addition to the audited accounts
* financial forecasts for the full length of a cohort of students' course from the date
of the Higher Education Review (Alternative Providers) - these forecasts should be consistent with the audited financial statements and formally approved by the applicant's board or equivalent entity, and this approval minuted.
1. Applicants are responsible for ensuring that the FSMG information submitted is complete, and that all requested information is provided. Applicants must also pay the FSMG fee before the FSMG checks can commence. Please see the fees schedule for educational oversight for further details about the fee and how it should be paid.
2. Applicants are responsible for ensuring that the FSMG submission is complete,
and that all requested information is provided.
3. During the check process, QAA, or those retained by QAA for the purposes of carrying out the FSMG check, may request further information or seek clarification on specific issues.

# Data protection

1. Personal information supplied about the head of organisation, directors or trustees and shareholders will be used to inform the check of the management and governance
of the applicant. QAA will check some of the information with other sources, such as Companies House. Providing a date of birth for individuals allows QAA to more easily identify people named in multiple submissions and involved in the management of other organisations. If this information is not provided, the applicant may be asked to submit proof of identification for each individual.
2. Personal information will be treated in confidence and only shared with organisations involved in the Higher Education Review (Alternative Providers) process.
3. Further information on rights to access information that QAA holds about applicants can be found in QAA's Data Protection Policy.[[2]](#footnote-2)

# Verification of information

1. QAA reserves the right to verify any aspect of the information supplied by the applicant. This may involve sharing information with other organisations and/or conducting independent checks.

# Detailed instructions on completing the FSMG form

1. Applicants should complete the FSMG form included in this document. This is in seven parts:
* Part 1: Provider information
* Part 2: Financial sustainability, management and governance information
* Part 3: Independently audited financial accounts
* Part 4: Financial forecasts
* Part 5: Supporting information to be uploaded with the submission
* Part 6: FSMG fee
* Part 7: Declaration by the head of organisation.
1. The FSMG form can be found at the end of this guidance document.

## Part 1: Provider information

1. This section of the form requests information about the applicant provider, including:
* key contact details
* legal name
* trading name(s)
* website address
* registered office address
* trading address(es)
* head of organisation.

### Key contact details

1. Please enter the contact details for the individual to whom we should address any queries regarding the FSMG information, if different from the head of organisation.

### Legal name

1. This is the formal or legal name of the applicant as identified from Companies House or the Charity Commission.

### Trading name(s)

1. Please provide any trading name(s) that are in use by the applicant either currently or that are protected (even if they are not currently in active use).

### Website address

1. Please provide any website addresses that are in use by the applicant currently.

### Registered office address

1. This is the official registered office provided to Companies House or the Charity Commission, and to which official correspondence from Companies House or the Charity Commission is addressed.

### Trading address(es)

1. Please provide any trading address(es) that are in use by the applicant currently.

### Head of organisation

1. Please provide details of the head of organisation - this includes contact details.
2. This section of the form also asks applicants to list any current professional memberships or affiliations held by the head of organisation (for example, membership of the Association of Chartered Certified Accountants).
3. Applicants should also confirm whether the head of organisation holds any current directorships or trusteeships at any other companies or charities, and provide the relevant company or charity names and numbers.

## Part 2: Financial sustainability, management and governance information

1. The FSMG section of the form requires applicants to provide information on:
* details of the organisation, type of organisation, key individuals (directors, shareholders and trustees) and relationships with other organisations
* adequacy and appropriateness of corporate governance arrangements
(note: academic governance arrangements will form part of the assurances
over quality covered elsewhere in the Higher Education Review (Alternative Providers) process)
* sufficient track record of financial performance
* financial sustainability over the length of a cohort of students' course from the date of designation.

### Type of organisation

1. Please confirm whether the applicant is a company limited by shares, a company limited by guarantee, or a charity, or has a different constitutional form, such as a partnership. If the applicant has a different constitutional form, then please specify this
in the space provided.

### Company/charity number

1. If relevant, enter the company and/or charity number in the appropriate spaces. This is the registered number assigned by Companies House or the Charity Commission.

### VAT status

1. Please enter the applicant's VAT status, for example, if the company claims an exemption for VAT.

### Names of directors and trustees and directorships and trusteeships at other organisations

1. Please provide the full names and date of birth for all current directors, and trustees if a charity. For each director and trustee, applicants should also confirm whether the director or trustee holds any current directorships or trusteeships at other organisations, and provide the relevant company or charity names and numbers.

### Names of individual shareholders (and per cent shareholding of each) and directorships or trusteeships at other organisations

1. Please provide the names of all current shareholders with shares that constitute
20 per cent or more of the company's total issued shares, and the percentage shareholding of each shareholder as indicated. For each shareholder, applicants should also confirm whether they hold any current directorships or trusteeships at other organisations, and provide the relevant company or charity names and numbers.

### Names of corporate shareholders (and per cent shareholding of each)

1. Please provide the names of all current corporate shareholders with shares that constitute 20 per cent or more of the company's total issued shares, and the percentage shareholding of each shareholder as indicated.

### Relationships with other organisations

1. Please confirm whether the applicant has a parent company, owns any subsidiaries or has formal links with other organisations (for example, other applicants, or recruitment agents). Please also provide the legal names of all other subsidiaries, and parent company or linked organisations (if applicable). If there are links with other organisations, please provide information as to whether this is a legal, formal or informal link (for example, separate legal entities with the same ownership). Where there are cross-guarantees and/or loans between the applicant and one or more other legal entities, these must be disclosed.

### Management and governance arrangements

1. It is important that the management and Board of the applicant understand their roles and responsibilities.
2. Please provide a description of the management oversight and **corporate** governance arrangements in place at the applicant. This should include a description of
any board of governors and trustees, and any committees (for example, audit committee, finance committee) that provide oversight of the applicant and independent challenge to
the senior management. This should also include arrangements that provide assurance over the internal control environment at the applicant (for example, internal audit, external audit) and include any recent or planned changes to the corporate governance arrangements. Please note that academic governance is outside the scope of this section of the form,
as it will be covered elsewhere in the Higher Education Review (Alternative Providers).

## Part 3: Independently audited financial accounts

1. The FSMG requirements of Higher Education Review (Alternative Providers) include the provision of three years of full audited financial statements. Please note that
**full audited** financial statements **must** be provided **irrespective** of the status of the entity
or its eligibility for exemptions under the Companies Act 2006, and/or allowance to provide abbreviated accounts to Companies House for statutory purposes. These must:
* be audited by an auditor listed on the Register of Statutory Auditors[[3]](#footnote-3) **and** who is independent of the preparation of the accounts/financial statements
* be signed by the director(s)/trustee(s) in the appropriate place **and** by the independent auditor
* include **all** of the following:
1. profit and loss account/income and expenditure statement
2. balance sheet
3. cash flow statement (even if the applicant is a small company)
4. full notes to the accounts.
5. QAA will accept unaudited cash flow statements for the first FSMG check only, provided these can be reconciled to the audited statutory accounts. For the second and subsequent FSMG checks, cash flow statements must be audited
6. Applicants should note that failure to provide three years of signed full audited financial statements that meet **all** of the criteria specific in paragraph 47 may result in termination of the Higher Education Review (Alternative Providers).
7. Please specify on the FSMG form who has prepared the accounts and who has audited the accounts. This will facilitate the check of the independence of the audit.
8. We are aware that accountancy institutes permit the same firm of accountants to prepare the accounts and to audit the accounts as long as precautions are taken to ensure these processes are independent and do not undermine the audit opinion. Therefore, while we would allow the preparation and audit to be conducted by the same firm, we would prefer these services to be carried out by independent firms. Where the same accountant has been used both to prepare and audit the accounts, we reserve the right to require information to be provided directly from the auditor regarding the processes and procedures that were undertaken to ensure auditor independence.

## Part 4: Financial forecasts

1. The FSMG check seeks to establish financial viability of providers for the following three years. A financial forecast must therefore be provided to satisfactorily complete
the FSMG check. All financial forecasts must be supplied on the template provided on the QAA website. The financial forecast **must be numerical** and provide sufficient information to allow confidence in those financial forecasts. Appropriate supporting written explanations to the forecast tables should also be provided.
2. The FSMG requirements of Higher Education Review (Alternative Providers) include the provision of financial forecasts for the full length of a cohort of students' course from the date of the Higher Education Review (Alternative Providers). The forecast figures for the current and future financial years should be based on a check of the most realistic assumptions over the forecast period. They should also be consistent with both the applicant's audited financial statements and strategic plan. The FSMG form invites applicants to provide a commentary on the forecasts, to include an explanation of the key assumptions made. At a minimum we would expect those assumptions to take account of:
* current and projected student numbers (home and EU, and non-EU)
* current and projected staff numbers (academic and administrative)
* fee income
* other income
* endowment and investment income
* maintenance costs
* other costs, such as leases or interest on loans.

## Part 5: Supporting information to be uploaded

1. The following documents must be submitted as part of the applicant's provision of FSMG information for check. This information must be provided in order for the submission to be assessed. Please submit the following.
2. **Completed FSMG form** - including a scanned copy of the declaration with the head of organisation's signature.
3. **Memorandum of Association** - the Memorandum of Association must be signed and dated by all relevant parties and must be a copy of the original version filed at Companies House; an unsigned document is not acceptable. Please present this evidence in the form of a scanned PDF document, which should also bear the printed names and designations of each signatory. Where the Memorandum of Association has been changed during the previous three years it would also be helpful if the original version could be supplied.
4. **Articles of Association** - the Articles of Association must be signed and dated by all relevant parties and must be a copy of the original version filed at Companies House; an unsigned document is not acceptable. Please present this evidence in the form of a scanned PDF document, which should also bear the printed names and designations of each signatory. Where the Articles of Association have been changed in the previous three years it would also be helpful if the original version could be supplied.
5. **Audited full financial statements** - (income and expenditure account, balance sheet, cash flow statement and notes to the accounts) for up to the last three
years (irrespective of the status of the applicant); must show a true and fair view and be prepared in accordance with UK GAAP (or successor requirements) or
IFRS (as appropriate). The basis of accounts will be UK GAAP (or successor requirements) or IFRS (if appropriate). Note: applicants that are not required to prepare full financial statements for statutory purposes will need to provide full audited financial statements as part of their submission - these must include income and expenditure statement, balance sheet, cash flow statement and notes to the accounts. Please note that cash flow statements are required even for those applicants who report under the Financial Reporting Standards for Small and Medium Enterprises.
6. **Financial forecasts in the template provided on the QAA website**.

## Part 6: FSMG fee

1. The FSMG submission must be accompanied by the FSMG fee. Please include in your submission a copy of your BACS payment confirmation.

## Part 7: Declaration by the head of organisation

1. The declaration confirms that the applicant has submitted all of the required information and also provides accountability for the accuracy of the information provided
and additional assurances over areas that QAA needs to consider in the check of
the applicant.

# Submitting the FSMG information

1. The FSMG form included in this document, and supporting documents, must be submitted as email attachments to APFSMG@qaaacuk.onmicrosoft.com 18 weeks before your scheduled review. Documents must be submitted in flat file structure. Do not use subfolders or zip files.
2. The following rules must be followed, or the email cannot be uploaded to
our system.
* File names cannot contain underscores (\_), full stops, spaces and any other punctuation marks or symbols; files names containing these characters will not upload successfully.
* We cannot accept shortcut files (also known as .lnk and .url files).
* Any temporary files beginning with a tilde (~) should not be uploaded.
* Do not upload administrative files such as thumbs.db and .DS\_Store.
* Please ensure that your individual document file sizes do not exceed 30MB.



# Financial Sustainability, Management and Governance by the Quality Assurance Agency for Higher Education - Provider Form

|  |  |
| --- | --- |
| Provider name | Click here to enter text. |

We want to make it as straightforward as possible for you to complete this form.
When completing this form you should refer to the guidance note above. You can also email queries to assessmentservices@qaa.ac.uk.

**Your completed form, along with any supporting documents, must be submitted as an email attachment to** APFSMG@qaaacuk.onmicrosoft.com **18 weeks** before your scheduled review.

Submissions must be fully completed, and the fee paid, before the check can commence.
A successful financial sustainability, management and governance (FSMG) check does not guarantee that a provider will ultimately be successful in achieving educational oversight.

# Part 1: Provider information

Please supply the following information about your organisation.

|  |  |
| --- | --- |
| Key contact name at provider responsible for FSMG (this is the person we will contact with any queries or requests for further information) | Click here to enter text. |
| Job title of contact | Click here to enter text. |
| Email address of contact | Click here to enter text. |
| Telephone numbers of contact | Click here to enter text. |
| Provider's legal name (registered company name) | Click here to enter text. |
| Trading names (to include all names by which the provider has been known over the last three years) | Click here to enter text. |
| Website address | Click here to enter text. |
| Address of registered office | Click here to enter text. |
| Trading addresses | Click here to enter text. |

Please supply the following information about the head of organisation.

|  |  |
| --- | --- |
| Title | Click here to enter text. |
| First name(s) | Click here to enter text. |
| Surname | Click here to enter text. |
| Date of birth | Click here to enter text. |
| Job title | Click here to enter text. |
| Email address | Click here to enter text. |
| Phone number | Click here to enter text. |
| Details of current professional memberships or affiliations | Click here to enter text. |
| Does the head of organisation hold current directorships/trusteeships at other organisations? | Click to select: Yes/No |
| If yes, please list current directorships/trusteeships at other organisations held by the head of the organisation |
| Name of company or charity | Company/charity number |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |

# Part 2: Financial sustainability, management and governance information

## Type of organisation

|  |  |
| --- | --- |
| Type of organisation | Please tick all that apply[ ]  A company limited by shares[ ]  A company limited by guarantee[ ]  A charity[ ]  Other organisation (please specify below)Click here to enter text. |
| Company number(if applicable) | Click here to enter text. |
| Charity number(if applicable) | Click here to enter text. |
| VAT status | Click here to enter text. |

## Director/trustee names

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| First name(s) | Surname | Director or trustee | Date of birth | Holds other directorships/trusteeships (UK and overseas)? |
| Click here to enter text. | Click here to enter text. | Click to select. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click to select. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click to select. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click to select. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click to select. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |

## Names of individual shareholders

Please provide the names of all individual shareholders with more than 20 per cent holding.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| First name(s) | Surname | Date of birth | Per cent share holding | Holds other directorships/trusteeships (UK and overseas)? |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click to select: Yes/No |
| If yes, please list company/charity name(s) and number(s).Company/charity name Company/charity number |

## Names of corporate shareholders

Please provide the names of all corporate shareholders with more than a 20 per
cent holding.

|  |  |  |
| --- | --- | --- |
| Name of company | Company number | Per cent shareholding |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |

## Relationships with other organisations

|  |  |
| --- | --- |
| Do you have a parent company? | Click to select: Yes/NoCompany name: Click here to enter text.Company number: Click here to enter text. |
| Guarantor arrangements (please attach letter of support and other evidence) | Click here to enter text. |
| Do you have any subsidiary companies? | Click to select: Yes/No |
| Subsidiary company name | Subsidiary company number |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Are you linked to other organisations? (Please include information on partnerships with awarding bodies) | Click to select: Yes/No |
| Company/organisation name | Company/charity number | Relationship |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. |

## Management and governance arrangements

|  |
| --- |
| Please provide a description of your corporate governance structures.Academic governance is not part of the FSMG check and does not need to be described here. Please provide flowcharts/organograms of structures and processes (see guidance notes provided in paragraphs 15, 46 and 47). |
| Click here to enter text. |

# Part 3: Independently audited financial accounts

The FSMG requirements of Higher Education Review (Alternative Providers) include the provision for review of three years full audited financial statements.

|  |  |
| --- | --- |
|  | Name of accountant and/or firm that carried out the work |
| Preparation of the accounts | Click here to enter text. |
| Audit of the accounts | Click here to enter text. |

# Part 4: Financial forecasts

The FSMG requirements of Higher Education Review (Alternative Providers) include the provision of financial forecasts for the full length of a cohort of students' course from the date of the Higher Education Review (Alternative Providers).

The forecasts must be provided on the template provided on the QAA website.

A commentary to accompany the financial forecasts should also be provided below.
Please note that if the applicant has an up-to-date business plan then this can be submitted as part of the commentary to cover those questions that are addressed in the plan.

|  |
| --- |
| Explain the key assumptions made in developing the financial forecasts. This includes assumptions around student numbers, fee income and access to student-support funding, capital investment plans, proposed borrowings and leases, and so on. Where the applicant has existing borrowings, including loans from directors, provide summary terms of borrowing. |
| Click here to enter text. |
| Explain how the applicant is ensuring its sustainability, including the identification and management of key risks such as cash flow management. Also provide details of any scenario planning or sensitivity analysis that has been undertaken on the forecasts submitted. |
| Click here to enter text. |
| Explain significant movements (±10 per cent in any one year) on the income and expenditure account and material changes on the balance sheet (including the detail on any material exceptional items). |
| Click here to enter text. |
| Please provide any further information that would be helpful in assessing the financial information provided. |
| Click here to enter text. |

# Part 5: Supporting information to be uploaded with the submission

Please submit supporting documentation required for the FSMG check. This should be included as an email attached, along with completed form, sent to APFSMG@qaaacuk.onmicrosoft.com. Please indicate in the check box that you have included each document. You must include all documents for the FSMG check to proceed.

[ ]  Completed FSMG form, including a scanned copy of the declaration with the head of organisation's signature.

[ ]  Memorandum of Association

[ ]  Articles of Association

[ ]  Audited full financial statements for the last three years (irrespective of the status of the entity or its eligibility for exemptions under the Companies Act 2006 and/or allowance to provide abbreviated accounts to Companies House for statutory purposes) - these should:

a be audited by an auditor listed on the Register of Statutory Auditors ([www.auditregister.org.uk/Forms/Default.aspx](http://www.auditregister.org.uk/Forms/Default.aspx)) **and** who is independent of the preparation of the accounts/financial statements

b be signed by the director(s)/trustee(s) in the appropriate place **and** by the independent auditor

c include **all** of the following:

i profit and loss account/income and expenditure statement

ii balance sheet

iii cash flow statement

iv full notes to the accounts.

[ ]  Financial forecasts

# Part 6: FSMG fee

The FSMG submission must be accompanied by the FSMG fee of £4,870.
Please include in your submission a copy of the BACS payment confirmation.

Our bank account details for payment are:

Account Name: The Quality Assurance Agency for Higher Education

Sort Code: 40-22-09

Account No: 92470233

IBAN: GB37MIDL402209092470233

The provider name must be included in the payment reference.

Please note that this activity is exempt from VAT and therefore no VAT is chargeable.

Upon receipt of cleared funds, QAA will issue an invoice to cover the application fee.

# Part 7: Declaration by the head of organisation

In signing the declaration you are confirming that:

1. All of the information provided in the FSMG form and submitted with the form has been completed in accordance with QAA's instructions and guidance and is approved as correct.
2. The provider complies with all relevant tax obligations and legislation. Where this is not the case an explanation must be provided.
3. There are no ongoing HMRC investigations or enquires or any HMRC investigations or enquiries that have been completed within the last three years. If this is not the case details must be provided in the space below.
4. The provider (as a legal entity), directors, trustees, shareholders (with more than a 20 per cent holding) or the head of organisation have not been:
5. convicted of a criminal offence anywhere in the world
6. subject of any adverse finding in civil proceedings (in the last three years)
7. subject of any disciplinary proceedings by any regulatory authorities or
professional bodies
8. involved in any abuse of the tax systems
9. involved with any entity that has been refused registration to carry out a trade or has had that registration terminated
10. involved in a business that has gone into insolvency, liquidation or administration while the person has been connected with that organisation or within one year of that connection
11. investigated by a professional body, a court or tribunal, whether publicly or privately
12. dismissed from a position of trust or similar
13. disqualified from acting as a company director or acting as a charity trustee
14. involved with a provider that has had its Tier 4 licence or specific course designation application refused or has been de-designated.

Where an item does apply, please provide details in the box below of who the item
is applicable to and further details such as the nature of offence/investigation/refusal/
dismissal, dates and locations to enable the appropriate consideration of this information
in assessing the FSMG information. Failure to disclose relevant information may result in a reassessment of the applicant's Higher Education Review (Alternative Providers) outcome.

1. You have been truthful in all dealings and are willing to comply with the necessary requirements and standards of QAA.

### Declaration

I, the principal officer of the provider, certify that I am duly authorised to submit this
FSMG form and supporting documents on behalf of the above named provider, and agree
to abide by the requirements of QAA set out above and confirm that all statements and documentation included in support of this application are true and accurate and owned
by this provider.

Signature: Click here to enter text.

Job title: Click here to enter text.

Date of signing: Click here to enter text.

|  |
| --- |
| If you have signed this declaration but want to make any information known in relation to items 2, 3, 4, and 5, or if there is any other information that you think is relevant to the check and should be declared, please add details in the space below. |
| Click here to enter text. |

Last updated - June 2023

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Registered charity numbers 1062746 and SC037786

[www.qaa.ac.uk](http://www.qaa.ac.uk/)

1. Register of Statutory Auditors: [www.auditregister.org.uk/Forms/Default.aspx](http://www.auditregister.org.uk/Forms/Default.aspx) [↑](#footnote-ref-1)
2. QAA Data Protection Policy: [www.qaa.ac.uk/about-us/how-we're-run/qaa-policies](http://www.qaa.ac.uk/about-us/how-we%27re-run/qaa-policies) [↑](#footnote-ref-2)
3. Register of Statutory Auditors: [www.auditregister.org.uk/Forms/Default.aspx](http://www.auditregister.org.uk/Forms/Default.aspx) [↑](#footnote-ref-3)