### **UK CAT CONSORTIUM**

# ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Company Registration Number: 05620264

Charity Registered Number: 1133667

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#### INTRODUCTION FROM THE CHAIR

This has been a year of further substantial development and growth for UKCAT.

In 2016 we welcomed the University of Bristol and Aston University to the Consortium. The test is now also used in admissions processes by four international medical schools. In 2017, a separate delivery window has been developed in order that Humanitas University, Milan can use the test for international selection. After discussions with the Universities of Dundee and St Andrews, the UKCAT Situational Judgement Test (SJT) is being offered as a standalone test for use in admission to their new graduate entry programme.

The 2016 test cycle saw a major development in test content with the trial of the new Decision Making subtest. This subtest replaces Decision Analysis and is very different in design and content. Candidates sat the new subtest, but had been informed that it would not contribute to their overall test scores this year. As a result, candidates received scores for only 4 of their five subtests. Communications with candidates and within the Consortium were critical to ensuring that candidates understood this change and were prepared for the new test format. We thank the Consortium universities for their assistance in this development. The trial of items was successful and the subtest subsequently went live in 2017 testing.

The UKCAT research group continued to be active. The Consortium is committed to making an open and robust contribution to research based on the data it has generated and it is pleasing to see such a long list of published research relevant to the test and wider admissions included in this report.

After discussion with Consortium universities, a number of changes were made in 2016 to the administration of the test. UKCAT ceased to administer exemptions. Instead universities advise candidates directly how to proceed in the event of their being unable to take the test (a situation which affects a very small proportion). Subsequent to this, in 2017 we have introduced different versions of the test to meet the particular needs of candidates with disabilities or long term health conditions not met by our established provision. At the end of 2017 testing, a review will take place of the utility of both the UKCATSA (test with 5 minute breaks between sections) and the UKCATSEN50 (test with 50% additional time). In addition, a change to the system of collecting candidate university choices was introduced. This latter development presented some unanticipated challenges around the data provided by candidates and alternatives are being investigated for future years.

It was appropriate during this year to carry out a further examination the UKCAT strategy, last formally reviewed in 2013. This has resulted, not in radical change, but in confirmation of the principal objectives and in some organic development which will inform our activities in the coming 3-5 years. The changes will more appropriately be reflected in the next Annual Report.

In December we said farewell to three members of the Board whose terms of appointment had expired; and in January we welcomed three new members elected by the Consortium. I would like to express my particular appreciation to my fellow Board members for their continued support and involvement; and also to the members of the Consortium whose active participation in so many aspects of the work of UKCAT helps to make association with this exceptional organisation so

rewarding. We are all also very much indebted to the dedication of our small professional team in the UKCAT office.

I look forward with some confidence to reporting next year on a further period of successful progress.

Nigel Siesage

N.P. Siesage

#### TRUSTEES' REPORT 2016/17

The Trustees are pleased to present their Report and Financial Statements for the year ended 31 March 2017. UKCAT is registered with the Charity Commission under registration number 1133667. Details of the Charity's Trustees, senior staff, bankers and professional advisors can be found towards the end of this document.

The Trustees are responsible for ensuring that, for each financial year, financial statements are prepared which give a true and fair view of the state of affairs of the Charity at the end of that year and of the incoming resources and resources expended for that year.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCAT is a company limited by guarantee governed by its Articles of Association which were revised and adopted by members in December 2009. The members of the Charity are those Universities who having joined the UKCAT Consortium use the test in admissions to medicine and dentistry.

The Charity Trustees comprise:

- seven persons elected by the members for a term of up to three years;
- the chair of the Medical Schools' Council;
- the Medical Schools' Council Executive Director;
- a person nominated by the Dental Schools' Council for a term not exceeding three years.

In addition, the Board may from time to time appoint up to four additional persons. Such Trustees shall hold office for a term of up to three years and shall be eligible for re-appointment.

When appointing Trustees the Consortium attempts to represent the geographical spread and diversity of Members. No more than two representatives or other members of staff from any Member shall be Trustees at the same time.

#### INDUCTION OF TRUSTEES

The Trustees are the Directors of the Company and are largely elected from the representatives of the members. They therefore tend to be familiar with Charity structures, objectives and operations. On appointment Trustees and representatives are provided with relevant information regarding the Charity together with recent minutes of relevant meetings and the annual report. Directors are provided with information from the Charity Commission's website regarding their role as Trustee.

#### **MEETINGS**

The Board meets approximately every four months. The Board sets the strategic direction for the Charity. Operational matters are delegated to the Board's sub-committees and to the staff of the organisation. The Board is responsible for:

- determining annual objectives and monitoring performance against them;
- ensuring effective organisational planning to achieve the objectives;
- monitoring resource allocation and ensuring adequate resources are available for the delivery, development of the test and research agenda;
- promoting the organisation to the outside world and to identified stakeholders;

• liaising and communicating with Consortium members to ensure their needs regarding test delivery and aspirations regarding test development are met.

There are three groups to which the Board delegates areas of work:

#### **Test Delivery Group**

The group is responsible for overseeing the logistics of delivering the test and distribution of results and recommending policy to the Board, as appropriate, on all delivery matters including:

- Setting the testing timetable on an annual basis;
- Overseeing the process of delivering the test (including the process of registration);
- Ensuring that there is sufficient capacity for candidates wishing to take the test;
- Overseeing the delivery of results to consortium medical and dental schools;
- Reviewing test delivery on an annual basis and identifying areas for improvement;
- Working with Pearson VUE to address any incidents which occur in relation to test delivery;
- Overseeing the implementation of the UKCAT Communication Policy with regard to communication with candidates, schools, consortium members and external stakeholders.

#### **Test Development Group**

The Test Development Group works with Pearson VUE and other experts in the field to develop each of the UKCAT sub-tests to enable them to be fit for purpose for use in admissions by medical and dental schools. To achieve this, the group:

- Receives a detailed annual report of statistics relating to each round of testing including data regarding item performance, 'fairness', performance of different subgroups of candidates
- Considers recommendations for changes to the test based on annual statistics or developments in computer based testing nationally and internationally
- In conjunction with the Research Panel, identifies and takes forward relevant research related to the development of the test.

#### **Research Panel**

The Panel supports the Research Lead in creating and delivering the UKCAT Research Strategy with a particular focus on:

- establishing and overseeing the governance framework for all UKCAT related data collection and research activity;
- maintaining the UKCAT database(s);
- commissioning and selecting short term studies to achieve UKCAT's objectives (such as widening participation and non-cognitive attributes);
- planning longitudinal cohort studies to establish the predictive value of the test;
- liaising with other bodies (such as Medical Schools Council, General Medical Council) on opportunities to create a linked postgraduate follow-up mechanism.

#### **UKCAT OFFICE**

The Chief Operating Officer (COO) and the UKCAT Administrator are responsible for the day to day running of the test and supporting operations. They are employed by the University of Nottingham

and support the work of UKCAT through a service level agreement that is reviewed on an annual basis.

The COO's main duties include the following:

- Acting as the main contact with Pearson VUE which delivers the test on behalf of UKCAT –
  resolving issues directly unless the issue was significant enough to warrant escalation to the
  Chair or other board member.
- As Company Secretary, leading on appointment of members and Trustees, arranging induction, ensuring decisions made by the Board and Consortium are in line with the Charity articles
- Monitoring budgets and reporting on these to the Board
- Ensuring systems are in place to ensure good standards of financial management
- Leads on any liaison with solicitors, auditors and the company bank.
- Responsible for ensuring that alongside the UKCAT Administrator, the work of the Board and its sub-groups is supported and ensures that decisions are acted upon in a timely fashion.

#### **PEARSON VUE**

The test is delivered on UKCAT's behalf by Pearson Driving Assessments Limited (Pearson VUE). UKCAT entered into a contract with Pearson VUE regarding the development and delivery of the test in 2006 for a period of five years. Pearson VUE has been successful in bidding for further tenders to undertake this work in 2011 and 2016. The new contract with Pearson VUE commenced on 1 January 2017.

#### RISK MANAGEMENT

The Board reviews risks to UKCAT formally on an annual basis. Risks are regularly assessed on an informal basis by the Board and its subcommittees with a particular focus placed upon smooth test delivery and reputation management.

The following risks have been identified by the Board:

- Consortium members withdrawing from UKCAT which could impact on UKCAT'S reputation, candidate numbers and ongoing research.
- Major failure in delivery resulting in reputational impact.
- Uncertainty around university student funding impacting on candidate numbers.
- Fluctuations in candidate numbers impacting on contractual, financial and delivery issues.
- Legal challenge from an individual.
- Unfavourable evidence regarding validity or impact of UKCAT.

#### **OBJECTIVES**

The objects for which the Charity is established are to promote and provide for the advancement of education in the United Kingdom and in particular to establish and operate tests to aid selection for admission to medical and dental degrees.

UKCAT is committed to advancing greater fairness in selection to medicine and dentistry and to the widening participation in medical and dental training of under-represented social groups. Through an ongoing programme of research UKCAT is seeking to identify the characteristics in applicants

which will make them good dentists and doctors and thus to improve the quality of those who enter the professions with the ultimate aim of improving patient care.

#### ACHIEVEMENTS AND PERFORMANCE

The following sections summarise UKCAT activity during the 2016 test cycle (2016/17 financial year).

#### Research

Key activities of the Research Panel during this period are outlined below:

#### **UKCAT Research Strategy**

The Research Group revisited the strategy objectives. The following priorities for studies were identified:

- Research Specific to Dental Admissions
- SJT Validation
- Confidence Ratings
- Bursary Candidates

#### *United Kingdom Medical Education Database (UKMED)*

UKCAT's involvement with UKMED has continued with representatives sitting on the Development Group and the Research Subgroup.

#### **Evaluation of the Situational Judgement Test**

A collaboration between the Work Psychology Group and Hull York Medical School has been supported by the Research Panel. Invitations to tender for validation work on the SJT were circulated to the Consortium. Queen Mary, University of London were selected to undertake a study investigating potential correlations between the UKCAT SJT and a range of assessment outcomes in year one and two assessments. Colleagues at York have further explored the dimensionality of SJT response data and alternative approaches to rescoring.

#### **Increasing Research Capacity**

This three year funded project transferred from Durham to York University. The team have made significant progress in various areas. Work is ongoing investigating the potential for 'grade adjustment' in the light of findings regarding the performance of students from different school backgrounds. The team has almost completed the report on the 'proof of concept' for UKMED. This study explored predictors Fitness to Practise (FtP) declarations made at provisional registration.

#### **Publications**

The following articles, supported by UKCAT were published during this period:

- Does the UKCAT predict performance on exit from medical school? A national cohort study
   BMJ Open 2016; R K MacKenzie, J A Cleland, D Ayansina, S Nicholson
- Predictive validity of the UKCAT for medical school undergraduate performance: a national prospective cohort study BMC Medicine 2016 14:140, Paul A. Tiffin, Lazaro M. Mwandigha, Lewis W. Paton, H. Hesselgreaves, John C. McLachlan, Gabrielle M. Finn and Adetayo S. Kasim

- Do personality traits assessed on medical school admission predict exit performance? A UKwide longitudinal cohort study Adv in Health Sci Educ (2016), MacKenzie, R.K., Dowell, J., Ayansina, D. et al.
- The Predictive Validity of a Text-Based Situational Judgment Test in Undergraduate Medical and Dental School Admissions Academic Medicine (2017), Fiona Patterson, MSc, PhD, CPsychol, Fran Cousans, MSc, Helena Edwards, MSc, CPsychol, Anna Rosselli, MSc, Sandra Nicholson, MRCGP, MSc, PhD, and Barry Wright, MRCPsych, MD.

#### **Test Incidents**

The following issues occurred during 2016 testing and were addressed in detail during the Annual Review held in December 2016.

#### Candidate Course Choices

In 2016 a decision had been made to obtain candidate University choices directly from the candidates themselves. A technical incident affected the ability of candidates to enter their details, causing considerable worry to candidates and large volumes of calls and emails to customer services. This issue was further exacerbated at results delivery when it was discovered that the quality of data collected from candidates was not high. A significant proportion of candidates entered the incorrect UCAS ID, primarily affecting those candidates who had previously applied through UCAS. After a review of this issue and consultation with the Consortium, it was agreed to return to using UCAS to match candidates in the 2017 test cycle.

#### Candidate annotations

The number of annotations granted in 2016 rose to 61 (from 50 in 2015).

#### **Exemptions**

In 2016, UKCAT did not offer candidates exemption from the test. Candidates with medical or personal difficulties which prevented them from testing were advised to discuss this issue with their chosen Universities.

#### **Marketing and Communications**

Changes in 2016 included enhanced communications to candidates and stakeholders, better engagement on social media and a contract with The Student Room.

#### **2016 TEST OVERVIEW**

The UKCAT is an aptitude exam, designed to measure innate cognitive ability and personality traits. The exam consists of three cognitive subtests (Verbal Reasoning, Quantitative Reasoning, Abstract Reasoning) and a test of Situational Judgement Items include those developed from operational items used in the previous administrations and from new items trialled in previous test rounds. In addition, candidates sat a pilot cognitive section, Decision Making.

Each exam was composed of 233 items (212 operational and 21 pre-test). The exam was administered in a 120-minute time period including instruction screens. Each subtest was timed separately. Results were provided to candidates at the end of their test and later to the schools to which the candidates had applied.

#### **Candidate Statistics**

The UKCAT was administered in 2016 beginning on 1 July 2016 and ending on 4 October 2016. A total of 23,359 exams were administered – a small decrease (0.8%) in candidate numbers from 2015. A brief summary of testing statistics is provided below. More detailed statistics can be found in the Executive Summary of the 2016 Technical Report on the UKCAT website (www.ukcat.ac.uk).

The Decision Making subtest was not used operationally in 2016 and candidates and Universities did not received results for this subtest. Candidates' scale scores were reported for each cognitive subtest and based on all the scored items for each section. Valid scale scores ranged from 300 to 900, with a mean set to 600 in the 2006 reference sample. Universities received the subtest scaled scores for each candidate, plus a total score that is a simple sum of the four subtest scores with a valid range of 1200 to 2700.

Although candidate results for SJTs were reported in 4 bands, raw and scale scores were used in the psychometric analysis of the test.

**Table 1 Subtest and Total Scale Score Summary Statistics: Total Group** 

Test	Total N	Mean	SD	Min	Max
Verbal Reasoning	23,359	572.97	74.81	300	900
Quantitative Reasoning	23,359	690.02	92.26	300	900
Abstract Reasoning	23,359	629.89	87.64	300	900
Total Cognitive Scale Score	23,359	1892.88	202.44	900	2650
SJT	23,359	606.56	66.58	300	753

The distributions are generally symmetric around their means and reasonably well spread out. The performance patterns for different subgroups (ethnic, gender, age and NS-SEC) are shown below.

Table 2 Subtest and Total Scale Score Summary Statistics by Gender: Total Group

Test	Gender	Total N	Mean	SD	Min	Max
Verbal Reasoning	Female	14,264	570.24	74.39	300	900
	Male	9,095	577.24	75.27	300	900
Quantitative Reasoning	Female	14,264	678.32	91.79	300	900
	Male	9,095	708.37	89.98	300	900
Abstract Reasoning	Female	14,264	627.23	86.80	300	900
	Male	9,095	634.06	88.79	300	900
Total Cognitive Scale Score	Female	14,264	1875.80	202.42	950	2650
	Male	9,095	1919.67	199.55	900	2640
SJT	Female	14,264	611.09	65.67	300	753
	Male	9,095	599.46	67.36	300	750

Although there are differences between male and female performance on some subtests, with, for instance, males on average scoring higher on the quantitative reasoning subtest, the effect sizes are small, and the overall difference between males and females for the total scores is not significant (effect size <0.02).

**Table 3 Cognitive Test Total Scale Score Statistics by Ethnic Group** 

Ethnic Group	Total N	Total %	Cognitive Test Mean	Cognitive Test SD	SJT Mean	SJT SD
UK-White	8769	38	1949.40	179.18	627.15	54.37
Non UK	4924	21	1838.94	214.36	575.03	76.35
UK – Asian	5910	25	1882.25	198.43	603.23	64.15
UK – Black	1679	7	1781.23	196.49	600.83	65.83
UK – Mixed Race	982	4	1913.62	196.26	615.65	62.30
UK – Chinese	338	1	1988.49	205.33	611.92	58.22
UK – other	757	3	1850.01	203.17	597.66	68.01

Ethnic group performance trends paralleled those of previous years, with minor differences. Within the cognitive tests for Verbal Reasoning, the highest performing group was White UK. For Quantitative Reasoning, Abstract Reasoning and Decision Analysis the highest performing group was UK-Chinese. For the SJT, UK-white had the highest mean score and non-UK the lowest.

Table 4 Total Scale Score summary statistics by NS-SEC Class (UK candidates only)

SEC	Total N	Total %	Cognitive Test Mean	Cognitive Test SD	SJT Mean	SJT SD
1	11334	61	1931.54	194.27	618.83	58.42
2	688	4	1887.79	186.78	623.37	56.80
3	1122	6	1869.47	185.39	608.05	61.12
4	723	4	1870.44	178.36	609.79	61.72
5	1137	6	1842.96	186.28	604.59	63.56
N/A	3431	19	1872.53	203.39	607.47	67.45

For NS-SEC classifications, category 1 was consistently associated with the highest average scores. The lowest average scale scores occurred for category 5.

In previous years there had been no clear trend within the SJT regarding the means for the differing occupational groups. In 2016, candidates performed similarly for NS-SEC Classes 1 and 2, and Classes 3, 4 and 5, although the difference is less marked than that observed for the cognitive sections. This resulted in a slightly higher proportion of NS-SEC 1 and 2 candidates in SJT Bands 1 and 2.

In tables 5 and 6 age is broken into five groups. Scores across all age groups were examined controlling for candidates' highest qualifications.

Table 5 Cognitive Test Total Scale Score and SJT Scale Score summary statistics by age group and highest qualification

Age	Highest Qualification – HE						Highest Qualification – School Leaver					
	Total		Cognitive	Test	SJT		Total		Cognitive	Test	SJT	
	N	%	Mean	SD	Mean	SD	N	%	Mean	SD	Mean	SD
<16	2	0					27	0	1785.93	260.48	572.44	87.41
16-19	571	3	1800.33	216.05	564.89	79.53	15953	71	1910.61	195.46	603.65	63.74
20-24	3841	17	1896.26	191.69	627.18	59.87	744	3	1850.58	220.20	607.90	68.91
25-34	1042	5	1819.02	219.40	623.85	73	135	1	1738.44	227.90	591.04	88.05
>34	179	1	1677.60	248.37	589.40	98.21	30	0	1651	210.88	591.50	69.14

Scores for candidates with school leaver qualifications generally showed negative correlations with age. Recent graduates score similarly to 'standard' school leavers. However it would appear that the negative correlation above is ameliorated somewhat in the graduate candidate population – older graduates performing better than older school leavers.

There is a positive correlation with age in the Situational Judgement Test; the highest performing subgroups being graduates aged 20-24.

Providing this level of data helps those selecting students make informed decisions about how they use the test. In the next section we describe the steps taken to ensure that test is fair and reliable.

#### Test and item analysis

Each year test results and item performance are analysed using a variety of methods in order to report on test reliability, internal construct validity and individual item performance.

#### **Test Reliability**

Variation in score reliability and SEM across the four subtests can be attributed to test length, amount of information in item types and scoring methods applied, and range of discrimination and difficulty among items. Score reliabilities and SEMs are in line with what is observed in similar tests. Improvements to both these indices are likely to occur as robustness of items, scoring models, and the strength of the item bank continue to improve.

Table 6 Scale Score Reliability and Standard Error of Measurement for Cognitive Total Scale Score

Reliability		SEM	
Range	Mean	Range	Mean
0.87	0.87	71.85 – 73.46	72.84

For the SJT, raw score reliabilities indicate a good level of reliability for an operational test building upon operational and trial of items in previous years.

Table 7 Raw Score Reliability and Standard Error of Measurement for SJT

Reliability		SEM		
Range	Mean	Range	Mean	
0.82 - 0.85	0.83	8.69 – 9.13	8.87	

#### **Item Performance**

Differential Item Functioning (DIF) refers to the potential for items to behave differently for different groups. DIF is an undesirable characteristic because it means that an item is measuring both the construct it was designed to measure and some additional characteristic or characteristics of performance that depend on classification or membership in a group (usually a gender or ethnic group classification). The Mantel-Haenszel (MH) procedure is used to identify DIF. For the UKCAT, MH DIF items are classified into one of three categories, A, B, or C. Category A contains items with negligible DIF, Category B contains items with slight to moderate DIF, and Category C contains items

with moderate to large DIF. Items flagged in Category C are typically subjected to further scrutiny while Category B items may be reviewed.

DIF analyses were conducted for the pre-test and operational items when sample sizes were large enough. The UKCAT DIF comparison groups are based on gender, age, ethnicity and SEC.

For operational items in the cognitive test, there were 6 occurrences of Category C DIF across all cognitive subtests and comparisons. Of these occurrences, 3 occurred in the age<20/>
somparison; one in the white/black comparison; one in the white/Asian comparison; and one in the white/Chinese comparison. For the pre-test items, there was one occurrence of Category C DIF in the male/female comparison group.

Within the SJT there were no occurrences of Category C DIF in operation or pre-test items.

Items with Category C DIF have content and wording examined for the potential bias. These items will either be revised or retired based on the review in the item writing workshops.

These analyses, which are performed annually, reassure UKCAT that the test is fair and reliable.

#### **DECISION MAKING TRIAL**

A decision was made in 2015 to create a new test of Decision Making to address concerns regarding limitations in the decision analysis subtest. The Decision Making test was piloted in 2016 with six trial forms, following a successful internal trial in 2015. The forms contained 26 'operational' and three 'pre-test' items. Candidates had 31 minutes to complete the subtest.

The subtest seeks to test 3 constructs using 3 very different item types.

- Deductive Reasoning: Syllogisms and Logical Puzzles
- Evaluating Arguments: Recognising Assumptions and Interpreting Information & Drawing Conclusions
- Statistical and Figural Reasoning: Venn Diagrams and Probabilistic & Statistical Reasoning

In order to address concerns that candidates may be less motivated for this unscored subtest, QR items were included in the 'Interpreting Information & Drawing Conclusions' section to be used as internal anchors to assist calibration.

As the section was unscored, candidates may not have been prepared or motivated to complete the item seriously. Therefore, prior to conducting the analysis, some outlier candidates were removed from the sample. In summary:

- Standard test takers outperformed SEN candidates (596 vs 589);
- Females performed slightly better than males (597 vs 595);
- UK white were the highest performing ethnic group and UK-other the lowest (610 vs 572);
- NS-SEC 1 candidates scored highest but differences between categories were less than for the other subtests;
- Raw and scale score reliabilities were reasonable given the length of the test and are expected to improve in future years;
- Item difficulty and facility were reasonable and discrimination excellent;

- Logical Puzzle items were the easiest and Interpreting Information & Drawing Conclusions items the most difficult;
- Syllogisms were most discriminative and Probability and Statistical Reasoning the least.

In the light of the analysis it was agreed that the timing for Decision Making would be unchanged in 2017. Quantitative Reasoning items would be replaced with drag and drop items as per the original blueprint. Scale score summaries would be monitored throughout the 2017 test window in anticipation of a shift in scale scores due to increased motivation/preparation.

#### **FUTURE PLANS**

The Board and Consortium confirmed its 3-5 year strategy during 2013. Many of the aims included in this strategy had been achieved or partially achieved and the Board has revisited these and updated as necessary.

#### **Key Aims**

- Increase research output in order that UKCAT can create a test which better identifies the
  traits required in medical and dental students, provides an evidence base for widening
  participation in medical and dental admissions and impacts positively on UKCAT's
  reputation.
- Become more active in the widening participation agenda in the UK, using our research record, database and services to candidates to position us within this debate.
- Increase flexibility within test delivery in order that we can market the test internationally.

These aims will be achieved by focusing activity on four themes.

#### Theme 1: Governance

UKCAT will have a reputation as a forward thinking, dynamic organisation at the centre of developments in admissions to medicine and dentistry in the UK.

Key objectives within this theme include:

- Discussion of alternative business models in order to respond to requests to offer the test to other HEIs/Markets.
- Engagement with non-UKCAT medical and dental schools regarding the benefits of joining the Consortium
- Creation of a more detailed UKCAT Communication Strategy.
- Strengthening links with the General Medical Council, General Dental Council, Medical Schools Council, Dental Schools Council, UK Foundation Programmes Office and other bodies.
- Engagement with other professions regarding the benefits of using the test (or version thereof).

#### **Theme 2: Research Development**

UKCAT will position itself as a UK leader in undertaking and supporting research regarding admissions into medicine and dentistry, prioritising research outputs leading to improvement in the test and its use.

Key objectives within this theme include:

- Building on established collaborations with HEIs and other stakeholders to identify research opportunities around widening access.
- Using UKCAT data to support/ deliver research into widening access.
- Consideration of how best to ensure effective dissemination of research.
- Increasing research outputs which inform the development of the test, its better usage and the evidence base regarding admissions to UK medical and dental schools.
- Continuing to develop the UKCAT database incorporating the maximum amount of progression data and other relevant data sources.

#### Theme 3: Improving and Developing the Test

The UKCAT test will be improved, based on research and other evidence. Opportunities to further expand use of the test (or aspects of the test) both nationally and internationally will be identified.

Key objectives within this theme include:

- Using validity studies to develop the test and inform its use
- Build on work to date to undertake a complete review of test content.
- Identify research required for ongoing improvements to test content and quality.
- Understand the measurement model underpinning each subtest and use this to develop test content/structure

#### Theme 4: Delivering the Test and the Candidate Experience

The candidate experience from initial communication to sitting the test will be the best possible.

Key objectives within this theme include:

- Continuing to build on established collaborations with HEIs and other stakeholders, using these links to communicate with widening access candidates.
- Conducting focus groups to improve to candidate experience.
- Improving and speeding up results delivery.
- Using our data to identify a set of fixed reports to be circulated to schools annually.

The Board and its sub-groups are charged with achieving the objectives outlined above. The Board monitors performance against these objectives at its regular meetings through reports from the Chairs of these groups. These objectives inform the work of the UKCAT office.

#### **FINANCIAL REVIEW**

#### 2016/17 Outturn

UKCAT has returned a deficit in 2016/17. This deficit has been planned. In order to meet the demands of the UKCAT strategy, the Board has recognised the need to increase operating costs particularly in the areas of research and widening participation. Through forecasting costs and instigating a review of the candidate fee, UKCAT anticipates moving to a surplus position from 2018/19.

In 2015/16 UKCAT made the decision to invest part of its reserves for the longer term in order to attract a better return on these funds. Working with a financial advisor, UKCAT made the decision to place funds with the Seven Investment Management (7IM) in the 7IM Sustainable Balance Strategy.

#### **UKCAT Financial Controls Document**

The Board has approved a financial controls document which covers the governance of financial transactions within the organisation. The document is reviewed on an annual basis.

#### **Reserves Policy**

UKCAT needs financial reserves to:

- meet contractual liabilities should the organisation cease to exist. This includes redundancy pay, amounts due to creditors and commitments under leases.
- meet unexpected costs like break down of essential office equipment, staff cover in relation to illness, maternity leave and parental leave.
- meet any legal costs defending the charity's interest.
- replace equipment when required.
- meet the costs of one-off developments to the test or its delivery.
- meet the organisation's fixed costs in the event of a significant fall in candidate numbers
- undertake and provide infrastructural support for a programme of research which may span several years with the costs of research varying significantly between those years.

Expenditure in 2016/17 totalled £1.9m. Current reserves stand at £0.48m (25% of annual expenditure). UKCAT aims to have reserves in the region of 20 - 25% of annual expenditure. The Board has undertaken a strategic review of activities and spending priorities in order to maintain reserves within this range in the future.

The Board of Trustees reviews the level of reserves at each Board meeting. The current level of reserves will be considered particularly carefully before any agreed increase in the candidate fee.

#### **Members' Liability**

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

#### **Trustees' Responsibility Statement**

The Trustees (who are also directors of UKCAT Consortium 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any materials departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

#### **Disclosure of Information to Auditors**

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

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

#### **Auditors**

The auditors, Lakin Rose Limited, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on 16<sup>th</sup> October 2017 and signed on their behalf by

Mr Nigel Siesage

N.P. Siesage

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UKCAT CONSORTIUM

We have audited the financial statements of UK CAT Consortium for the year ended 31 March 2017 set out on pages 20 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

#### Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 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.

#### Opinion 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 for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Christopher Dougherty (Senior statutory auditor)

for and on behalf of

Lakin Rose Limited
Chartered Accountants
Statutory Auditors
Pioneer House
Vision Park
Histon
Cambridge CB24 9NL

Date: 20 December 2017

#### **STATEMENT OF FINANCIAL ACTIVITIES**

(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds 2017 £	Total funds 2016 £
INCOME FROM			
Investments Charitable activities:	2	4,136	5,174
Testing fees - clinical aptitude testing Contributions from members		1,749,440 8,993	1,772,075 12,000
TOTAL INCOME	- -	1,762,569	1,789,249
EXPENDITURE ON:			
Charitable activities - clinical aptitude testing Charitable activities - Governance	5	1,911,937 4,404	1,895,362 4,200
TOTAL EXPENDITURE	-	1,916,341	1,899,562
NET EXPENDITURE BEFORE INVESTMENT GAINS/(LOSSES)		(153,772)	(110,313)
Net gains/(losses) on investment assets	-	45,198	4,743
NET MOVEMENT IN FUNDS		(108,574)	(105,570)
RECONCILATION OF FUNDS: Total funds brought forward	-	585,628	691,198
TOTAL FUNDS CARRIED FORWARD	-	477,054	585,628

The notes on pages 24 to 27 form part of these financial statements.

#### **BALANCE SHEET**

AS AT 31 MARCH 2017

			2017		2016
	Note	£	£	£	£
CURRENT ASSETS					
Debtors	8	13,438		15,381	
Investments	9	357,351		273,543	
Cash at bank		182,811	· -	564,078	_
		553,600		853,002	
<b>CREDITORS:</b> amounts falling due within one year	10	(76,546)		(267,374)	-
NET CURRENT ASSETS			477,054		585,628
NET ASSETS			477,054		585,628
CHARITY FUNDS					
Unrestricted funds	11		477,054		585,628
TOTAL FUNDS			477,054		585,628

The financial statements were approved by the Trustees on 16<sup>th</sup> October 2017 and signed on their behalf, by:

Mr N Siesage

The notes on pages 24 to 27 form part of these financial statements.

#### **STATEMENT OF CASHFLOWS**

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 f	2016 f
Cash flows from operating activities		_	_
Net cash used in operating activities	11	(342,658)	(12,664)
Proceeds from sale of investments		141,462	
Purchase of investments		(180,071)	(268,800)
New cash used in investing activities		(38,609)	(268,800)
Change in cash and cash equivalents in the year		(381,267)	(281,464)
Cash and cash equivalents brought forward		564,078	845,542
Cash and cash equivalents carried forward	12	182,811	564,078

The notes on pages 24 to 27 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

#### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

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) (effective 1 January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

UK CAT Consortium meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

#### 1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

#### 1.3 Company status

The charity is a company limited by guarantee. The members of the charity are the medical and dental schools who have chosen to implement the clinical aptitude test. 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.

#### 1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Candidate testing fees are recognised in the period in which testing occurs.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

#### 1.6 Investments

Investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

#### 1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### 1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

#### 1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### 1.10 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 charity and which have not been designated for other purposes.

#### 2 INVESTMENT INCOME

2 INVESTMENT INCOME			
	Unrestricted		Total
	<b></b>	funds	funds
		2017	2016
		£	£
Bank interest receivable		9 <b>5</b>	1,025
Other interest receivable		4,041	4,149
Other interest receivable		4,136	5,174
		4,130	0,174
Total 2016		5,174	
10tai 2010		0,174	
3 DIRECT COSTS			
	Clinical		
	aptitude	Total	Total
	testing	2017	2016
	£	£	£
Testing provider's charges – testing	1,387,443	1,387,443	1,393,890
Testing provider's charges - other	94,306	94,306	88,509
. coming provides a cital gas come.	1,481,749	1,481,749	1,482,399
As at 31 March 2016	1,482,399	1,482,399	.,,
7.6 dt 6 1 Maion 2016	1,102,000	1,102,000	
4 SUPPORT COSTS			
	Clinical		
	aptitude	Total	Total
	testing	2017	2016
	£	£	£
Office and administration recharges	163,697	163,697	158,000
Data management	32,431	32,431	32,431
Hotels, travel and subsistence	13,511	13,511	15,874
Meetings and hospitality	14,807	14,807	11,932
Premises	25,993	25,993	16,013
Research	136,609	136,609	136,850
Sundry expenses	29,057	29,057	16,165
Legal fees	11,085	11,085	22,938
Insurance	2,671	2,671	2,612
Bank charges	327	327	148
ŭ	430,188	430,188	412,963
As at 31 March 2016	412,963	412,963	
F COVEDNANCE COCTC			
5 GOVERNANCE COSTS		l lavootriete d	Tatal
		Unrestricted	Total
		funds	funds
		2017	2016
Auditors' remuneration		£	£
Auditors remuneration	=	4,404	4,200

#### 6 AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £2,700 (2016 - £2,700), and accountancy fee of £1,704 (2016, £1,500).

#### 7 STAFF COSTS

The charity has no employees other than the Trustees, who did not receive any remuneration (2016 - £NIL).

8 Trustees received reimbursement of expenses amounting to £3,593 in the current year (2016, 9 trustees, £4,578). The charity has no employees.

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				2017 £	2016 £
Other debtors				13,438	15,381
9 CURRENT ASSET INVESTME	ENTS				
				2017	2016
Listed investments at mar	ket value		3	£ 357,351	£ 273,543
10 CREDITORS: Amounts fall	ing due within	one year			
			2	2017 £	2016 £
Accruals and deferred inc	ome		76	5,546	267,374
11 SUMMARY OF FUNDS					
	Balance at 1 April 2016 £	Income £	Expenditure	Gains/ (Losses)	Balance as at 31 March 2017
General Funds	585,628	1,762,569	_	45,198	477,054
	Balance at 1 April 2015	Income	Expenditure	Gains/ (Losses)	Balance as at 31 March 2016
General funds	£ 961,198	£ 1,789,249	£ (1,899,562)	£ 4,743	£ 585,628
12 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING					

## 12 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

110117111111111111111111111111111111111		
	2017	2016
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(108,574)	(105,570)
Adjustment for:		
Losses on investments	(45,198)	(4,743)
Decrease/(increase) in debtors	1,943	(13,633)
(Decrease)/increase in creditors	(190,829)	111,282
Net cash used in operating activities	(342,658)	(12,664)
13 ANALYSIS OF CASH AND CASH EQUIVALENTS		
	2017	2016
	£	£
Cash in hand	182,811	564,078
Total	182,811	564,078

#### 14 FIRST TIME ADOPTION OF FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

#### **CHARITY TRUSTEES**

Mr Nigel Siesage, University of Leicester, Chair

Dr Lyndon Cabot, King's College London

Dr Gay Fagan, University of Warwick (appointed 1 January 2017)

Professor Jennifer Higham, Medical Schools' Council

Dr Christine Kay, University of Aberdeen (appointed 1 January 2017)

Dr Angela Kubacki, St George's, University of London (appointed 1 January 2017)

Dr Robert McAndrew, University of Cardiff

Professor John McLachlan, University of Durham

Dr Sandra Nicholson, Queen Mary, University of London

Dr Katie Petty Saphon, Medical Schools' Council

Dr Fiona Stewart, University of Dundee

Mr Paul Teulon, King's College London

Mr Adrian Husbands, University of Dundee (retired 31 December 2016)

Mrs Martine Lowes, University of Nottingham (retired 31 December 2016)

Professor Brian Pollard, University of Manchester (retired 31December 2016)

#### **COMPANY SECRETARY**

Significant elements of the day to day management of UKCAT are delegated to the Chief Operating Officer and Company Secretary, Rachel Greatrix.

#### PROFESSIONAL ADVISORS

Bank: Natwest, Nottingham University Branch, University Park, Nottingham NG7 2AG

Solicitors: Browne Jacobson, Mowbray House, Castle Meadow Road, Nottingham NG2 1BJ

Auditors: Lakin Rose Limited, Pioneer House, Vision Park, Cambridge CB24 9NL

#### **CONSORTIUM MEMBERS 2016/17**

University of Aberdeen
University of Birmingham
University of Manchester
Cardiff University
University of Newcastle
University of Dundee
University of Durham
University of Plymouth

University of East Anglia
University of Exeter
University of Edinburgh
University of Glasgow
University of Southampton
Hull York Medical School
Queen Mary, University of London
Queen's University, Belfast
University of Sheffield
University of Southampton
University of St Andrews

Keele University St George's, University of London

King's College London University of Warwick

University of Leicester