



**For the year ended 28 February 2023**

# Contents

Fore word from the Chief Executive .....	2
Statement of Income .....	5
Or Value .....	5
Annual Report and Financial Statements .....	7
Strategic Report .....	8
Director' Report .....	17
Director' Responsibility Statement .....	20
Independent Auditor' Report to the Member of Global Banking School Limited .....	21
Profit and Loss Account .....	26
Balance Sheet .....	27
Statement of Change in Equity .....	28
Statement of Cash Flow .....	29
Notes to the Financial Statements .....	31

It has been another remarkable year for GBS, a year not only of significant growth but also of substantial change. Another year in which I need to express my thanks, and pay tribute, to all of the staff, who have been dedicated to delivering on our mission of providing non-formalized education to people who are unable to access higher education through more traditional providers.

Both academic and corporate governance have seen considerable change this year, following a commissioned external review. Academic Board has been reconstituted and has a new Academic

Students become and increase the return on investment for our students. Other measures have included the addition of two Associate Deans to each faculty, one for Foundation Year and one responsible for a discipline, a full-time introduction of a customer service team and a student communication team.

In addition, of course, not just been restricted to staffing but has included all resource areas, most significantly in three areas: estate, IT team and learning material. In relation to estate, we are delighted to announce the inauguration of our new camp in Birmingham, Norfolk House. It boasts excellent facilities and convenient transport link, being within a 10-minute walk of New Street Station. We are now well established at the location across England: Leeds, Birmingham, East London, West London, and Manchester with multiple buildings in the first three of these. In the latter two we have been able to expand our available space within existing buildings and this year, in particular, we greatly expanded our capacity in Greenford, West London with the successful execution of a significant interior construction project of the West Wing of our campus. In response to our growing student demand in Leeds, we developed and reworked the building to accommodate new classrooms, which could accommodate 400 more students. To facilitate this expansion,

Three years, with overall satisfaction scores exceeding 90% in each instance. Furthermore, we take immense pride in the fact that we have not received a single complaint to the Office of the Independent Adjudicator for Higher Education, reflecting the dedication to excellence in student experience.

We do not of course, rest on our laurels. Just as this year comes to an end, we have begun a new, and significant partnership with Oxford Brookes University (OBU). The initial intake will be BSc Health, Wellbeing and Social Care and we will be adding a BA (Hons) Global Business and Entrepreneurship in the summer. We look forward to a successful and enduring partnership with OBU, one that allows us to offer our students even more high-quality opportunities.

At the heart of our institution's mission lies the commitment to providing accessible and high-quality education. We remain deeply devoted to offering an inclusive educational environment that welcomes students from

# Student outcomes

**Since starting in 2010** GBS has enabled 100% and of 100% of graduates  
with an HND, Bachelor's degree or higher. We believe that nothing helps



Global Banking School Limited

# Annual Report and Financial Statements

## Company Information

<b>Directors</b>	A Erdeneogoo L Falcone S Kooza Professor R Lloyd Professor M Malcolm Dr V Rana
<b>Registered number</b>	07165333
<b>Registered office</b>	891 Greenford Road Greenford London UB6 0HE
<b>Independent auditor</b>	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditors 16 Great Queen Street Covent Garden London WC2B 5AH



Global Banking School Limited

# Strategic Report

For the year ended 28 February 2023

## Introduction

Global Banking School (GBS) is a higher education provider offering a range of industry-focused courses across the location in East London, West London, Manchester, Birmingham and Leeds. We work in partnership with several leading UK universities to deliver vocational undergraduate and postgraduate programmes in accounting, finance and management, construction, entrepreneurship and healthcare.

The School aims to help students thrive in today's competitive job market, offering excellent links to employers and a focus on one-to-one academic and career support and guidance in addition to our specialist courses. We take an inclusive approach to recruiting students, with an aim of widening access to higher education among groups currently underrepresented in the sector.

GBS is registered with the Office for Students and has been reviewed by the Quality Assurance Agency.

## 1. GBS's Vision and Mission

GBS' Vision: Changing lives through education that make a fundamental difference to living standards and access to learning.

GBS' Values:

1. We care for our students
2. We care for each other
3. We all learn and improve
4. We all make a significant contribution to our communities
5. We all are entrepreneurial spirits
6. We appreciate and reward high performance
7. We cherish diversity
8. We operate ethically and professionally

## 2. Strategic Plan 2021-24

The GBS Strategic Plan 2021-24 provides the key elements that guide our work and deliver our ambition.

GBS aims to develop and deliver the portfolio of effective full launched programmes in the area of digital technologies and construction management and will be extending into entrepreneurship in the next financial year in order to bring high quality educational opportunities to more UK students. This year GBS has seen an expansion of campus provision in Manchester, Leeds and We London. East London and Birmingham have benefited from additional campuses to complement existing provision. GBS is aiming to support pedagogic research and research that supports the communities that we serve.



## 3. High-Quality Academic Experience

GBS is proud of its excellent history of results in the National Student Survey (NSS). In the 2022 survey, the most recent available, our students rated 91% for the headline core of overall satisfaction with the quality of modules, compared to a mean average of 77% for the sector. In the category section, we led the industry with above 90% in areas of teaching and delivery, learning opportunities, assessment and feedback, and academic support. This is a remarkable core and demonstrates our real effort, particularly in our care for our students, and we operate ethically and professionally. It is essential that our students continue to be at the heart of everything that we do. We are delighted that there is a growing life cycle of new students every day across all our campuses.

## 4. Statement by the Directors on Performance of their Statutory Duties in Accordance with S172(1) of the Companies Act 2006

### The Likely Consequences of Any Decision in the Long-Term

The directors believe that they have acted in the best interests of the company, in good faith, to promote the long-term success of the School. The annual financial budgeting cycle requires the long-term impact of strategic decisions to be considered. The Board and executive management interact regularly and executive management attend Board and Committee meetings to discuss performance, opportunities, risks and implications of potential new developments.

### The Interests of the Company's Employees

The directors believe our people to be our greatest assets and the interests of our employees are always considered. The directors take care over the wellbeing and environmental awareness of employees. We provide a number of welfare programmes, aiming to promote and protect workers' wellbeing, health and safety. During the year, there were numerous examples of programmes to support employee wellbeing.

and good mental health, including a series of mental health seminars, regular lunch and learn sessions with the CEO to facilitate employee engagement with the senior leadership team, and, regular events to recognize and appreciate employees. We also use other formal and informal processes to communicate and engage with employees, including an intranet and digital learning tool.

GBS is committed to supporting, developing and promoting equality and diversity in all of its practices and activities and aims to establish an inclusive culture free from discrimination and based upon the values of dignity, courage and respect. GBS supports and develops staff through providing all with access to facilities, personal and career development opportunities and employment on the basis of equality. GBS is committed to creating and maintaining a positive, supportive and excellent teaching

## 5. Employees

The School give full and fair consideration to application for employment made by people with disabilities, having regard to their particular aptitude and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and other steps for the training, career development and promotion of people with disabilities.



## 6. Return on Student Investment

As our students make significant investments in their studies, GBS makes substantial investments to provide our students with a high-quality learning experience that the industry would expect. For example, we provide the highest standard of IT and learning facilities including a library in every campus, with student access to books and student welfare of services available for support.

### Investment in Student Management and ERP System and other IT Projects

GBS has invested 7 million in our cloud based student record system, The i, and ERP, Uni4. The intention is to transform our student experience by providing a holistic view of every student and providing insight that connects staff and support them through their entire educational journey. The system has allowed

to develop robust and integrated processes for student record which will enable to operationalise communication, respond faster to student need and ultimately increase retention and graduation rate with intelligent tool and analytics. The Uni4 /The i project supports by providing significant information for local stakeholders with much advanced analytics and forecasting capabilities.

It also provides with a wide range of modules including Procurement, Payroll, Financial Planning and Analysis, and Talent Management in order to drive efficiency, accuracy and improved people experience through all departments at GBS. In the current year the priority has been to ensure effective integration of The i with other key systems such as our virtual learning environment, Moodle, and our timeabling system. The work has involved further investments in staff capacity and capabilities to ensure that we are able to derive best value from the investments.

### Investment in Learning and Teaching Resources

GBS continues to invest in learning resources, including both online material and hard copies in our ever expanding physical libraries. Students on all campuses have access to a library, containing core texts for all programme as well as exploring different resources for online resources. The School has an agreement with EBSCO Information Service for unlimited e-resource subscription for business related books.

### Campus Development

GBS has invested significantly in campus development to provide high-quality infrastructure and technology. A digital and learning technologies proportionate and virtual teaching, along with the computer lab, student zone and student community area that have been developed in all our campuses. GEDU House, our new campus in Stratford, opened to students in June 2022 and we extended our provision in Birmingham, in February 2023. We have continued to expand facilities at our HQ in Greenford and in Manchester and to develop the Leeds campus which reopened to students in September 2021.

## 7. Principal Risks and Uncertainties Managing Risk and Uncertainty

The Board of Directors maintain an internal risk register that holds the most significant areas of risk exposure. Each risk is documented in detail of the nature of the risk along with mitigation/treatment, and is monitored by the risk owner. Each risk item has an assessment for likelihood and impact (L/I) at both the group level and at a residual level after the operation of the control mechanism, with a time horizon of the near, medium term, and intermediate term, medium or high.

### Student Outcomes

GBS' mission can only be achieved by delivering high quality student outcomes. Our focus on outcomes is reflected in four of the top risks in the Board of Directors risk register: Student Continuation; Student Experience; Academic Quality and Student Employability. The external

## Financial Sustainability

The governance structure, direction of portfolio and campus development support our long-term financial sustainability.

As GBS has grown, and we ensure that we keep pace with our academic and growth ambitions, we have reviewed the effectiveness of our governance structure.

As a result, this year we have enhanced our corporate and academic governance structure. We have introduced a Board of Directors chaired by an independent director and supported by a Finance and Resource Committee and an Audit and Risk Committee. In academic governance we have established the Academic Standard and Quality Committee and the Research, Scholarly and Professional Practice Committee, both complementing the work of the existing Learning and Teaching Committee. All three committees report to the Academic Board, which remains the academic authority of the School.

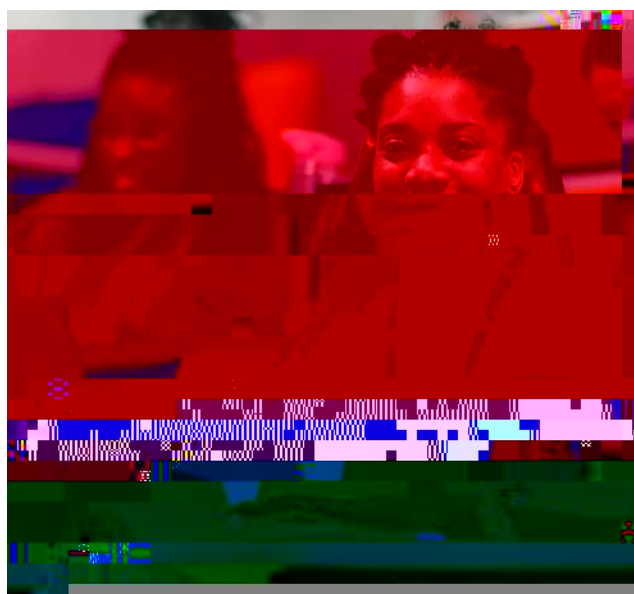
We have continued developing sustainable relationships with collaborative partners. We have also built a portfolio approach introducing new programmes including subject innovation, construction, accounting and financial management and education with a variety of different terms; these are all the academic ng

management of the School and planning its future development. The Board exercises oversight of the finance and accounts of the School, including the institution's solvency and the safeguarding of its assets. The Board comprises individuals who have significant experience at senior level both within the higher education sector and within industry and commerce.

The Board of Directors has three sub-committees: the Academic Board (AB), the Audit and Risk Committee (ARC) and the Finance and Resources Committee (FRC).

The AB is the academic authority of the School. Acting with responsibility delegated by the Board of Directors, it oversees the academic activities of the School. It is responsible for the maintenance of academic standards and for the quality of the programme of study and the student experience. It advises the Board of Directors on matters relating to teaching, scholarship, research and the professional activities of the School. It reports to the Board of Directors on the effectiveness of academic governance arrangements. Chaired by the Pro-vice-Chancellor, it draws in from GBS academic and professional services staff and includes student representatives and an independent member.

ASQC ensures that the School's quality assurance processes remain fit for purpose and meet internal and external requirements.



It monitors matters of standard and quality through annual and periodic monitoring of programme and ensures that appropriate action is taken where it is required.

RSPPC supports and promotes research, scholarly and professional activities at GBS. It oversees the integration of research and advanced scholarship into teaching and promotes research-related quality assurance among academic staff.

### Academic and Executive Leadership

The Pro-vice-Chancellor is the principal academic officer of the School and the Chief Executive Officer is the Accountable Officer for purposes of the Higher Education and Research Act 2017. The CEO has a key role in the development and implementation of the School's Strategic Plan, which includes the development of the programme portfolio and achieving degree awarding power. The CEO is supported by GBS Senior Management Team which comprises academic and professional services leaders.

### Statement of Internal Control

As part of the governance review, both academic and corporate, the School took the opportunity to strengthen both internal control and the oversight of the e. In particular, the introduction of an independent chaired Audit and Risk Committee (ARC), reporting to an independent chaired Board of Directors plays a key role in this.

The Board of Directors, supported by the Senior Management Team, has the responsibility for maintaining a robust system of internal control that supports the achievement of the School's strategic objectives, and policies while making ever reasonable endeavours to safeguard the public and other funds and assets in accordance with the responsibilities assigned in the regulatory framework for Higher Education in England. In particular, the regulatory and proprietary of the tuition fee received.

The Board's assurance about the effectiveness of the system of risk and internal control is informed by the work of the Senior Management Team within the School, led





## 10. Access & Participation

GBS is committed to recruiting and supporting students from underrepresented groups, enabling them to meet their educational goals and career aspirations.

GBS is a provider of a range of higher education programmes; from foundation year, HNC/HND, Undergraduate Honours degree to Master's degree programme.

GBS offer higher education programmes of study in partnership with other higher education providers through contractual arrangements. Our partner universities are Bath Spa University, Leeds Trinity University, Canterbury Christ Church University, Oxford Brookes University and the University of Suffolk.

GBS is a Pearson approved centre for the delivery of BTEC higher national. GBS will admit prospective students to all GBS provision through a fair and transparent admission process, who will undertake a programme of study offered by GBS and meet

the required entry requirements, through either formal qualification or recognised life and work experience, or through recognition of prior certificated learning at Level 4/5 in the UK Framework for Higher Education Qualification (FHEQ).

GBS recruit and admit students from around its four main geographical locations in London, Birmingham, Leeds, and Manchester. GBS is highly successful in recruiting students living in areas of relative low higher education participation, low household income and socioeconomic status. Many students are mature (over 25 years of age) and have been absent from education for significant periods of time. Students are also from a variety of backgrounds.

GBS will continue to recruit students around established geographical locations and expect to maintain the profile of mature students from a variety of ethnic backgrounds who have been absent from education for a significant time.

## Directors' Indemnities

The company has made qualifying third party indemnity provision for the benefit of its directors which remain in force at the date of this report.

This report was approved by the board and signed on its behalf.



**Professor Malcolm**  
Chair

Date: 25/07/2023



**Professor Royd**  
Director

Date: 25/07/2023

# Director's Report

For the year ended 28 February 2023

The directors present their report and the financial statements for the year ended 28 February 2023.

## Principal Activity

The principal activity of the company is the provision of educational courses to tertiary students.

## Results and Dividends

The profit for the year, after taxation, amounted to 29,436,080 (2022 - 12,772,817). The directors declared dividend of 5,700,000 (2022: 3,244,750) during the year to Global Education Holding Limited.

## Directors

The directors who served during the year were:

- A Erdenetsogt ( 2 .0 .2022)
- L Falcone ( . 2.2022)
- S Kotta ( 2 .0 .2022)
- Professor R Lloyd ( 2 .0 .2022)
- Professor M Malcolm ( . 2.2022)
- Dr V Rana

## Matters Covered in the Strategic Report

As permitted by 414c(11) of the Companies Act 2006, the directors have elected to disclose information, required to be in the directors' report by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulation 2008', in the strategic report.

## Streamlined Energy and

## Disclosure of Information to Auditor

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

so far as the directors are aware, there is no relevant information of which the company's directors are aware, and the directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant information and to establish that the company's directors are of that information.

This report is made in accordance with the provisions of section 174 of the Companies Act 2006 (as amended) and section 9.1 of the Listing Rules.



Global Banking School Limited

# Independent Auditor's Report to the Members of Global Banking School Limited

For the year ended 28 February 2023

## Opinion

We have audited the financial statements of Global Banking School Limited (the 'Company') for the year ended 28 February 2023, which comprise the profit and loss account, the balance sheet, the statement of cash flows, the statement of change in equity and the notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom General

**Basis for opinion**





## Auditor's Responsibilities for the Audit of the Financial Statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience of the higher education sector;
- we focused on specific laws and regulations which are considered to have a direct material effect on the financial statements or the operation of the company, including the Companies Act 2006, the requirements of registration with the Office for Students, including the accountability, equality, legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatements, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management to determine the considered there a susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal control in place to mitigate risk of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify an unusual or unexpected relationship; selected a sample of journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements disclosure underlining supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management to actual and potential litigation and claim; and
- receiving correspondence with HMRC, relevant regulatory including the Health and Safety Executive, the Office for Students and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-



Global Banking School Limited

# Profit and Loss Account

For the year ended 28 February 2023

---


# Balance Sheet

As at 28 February 2023

	Note	2023	2022
<b>Fixed assets</b>			
Intangible assets	11	1,051,835	780,899
Tangible assets	12	9,938,844	8,110,506
		<b>10,990,679</b>	8,891,405
<b>Current assets</b>			
Debtor : amount falling due after more than one year	13	6,900,821	2,615,848
Debtor : amount falling due within one year	13	58,222,826	36,144,953
Bank and cash balance		14,378,509	845,782
		<b>79,502,156</b>	39,606,583
Creditor : amount falling due within one year	14	(40,945,620)	(28,439,438)
<b>Net current assets</b>		<b>38,556,536</b>	11,167,145
<b>Total assets less current liabilities</b>		<b>49,547,215</b>	20,058,550
Creditor : amount falling due after more than one year	15	(4,579,984)	(3,019,261)
<b>Provisions for liabilities</b>			
Deferred tax	16	(710,655)	(858,793)
Other provision	17	(4,340,000)	-
		<b>(5,050,655)</b>	(858,793)
<b>Net assets</b>		<b>39,916,576</b>	16,180,496
<b>Capital and reserves</b>			
Called up share capital	18	100	100
Profit and loss account	19	39,916,476	16,180,396
<b>Total equity</b>		<b>39,916,576</b>	16,180,496

Global Banking School Limited

# Statement of Changes in Equity

For the year ended 28 February 2023

	Called up share capital	Profit and loss account	Total equity
<b>At 1 March 2021</b>	100	<b>6,652,329</b>	6,652,429
<b>Comprehensive income for the year</b>			
Profit for the financial year attributable to equity holders	-	<b>12,772,817</b>	12,772,817
<b>Total comprehensive income for the year</b>	-	<b>12,772,817</b>	12,772,817
Dividend: Equity capital	-	<b>(3,244,750)</b>	(3,244,750)
<b>Total transactions with owners</b>	-	<b>(3,244,750)</b>	(3,244,750)
<b>At 1 March 2022</b>	100	<b>16,180,396</b>	16,180,496
<b>Comprehensive income for the year</b>			
Profit for the financial year attributable to equity holders	-	<b>29,436,080</b>	29,436,080
			Pro for the financial year

Global Banking School Limited

# Statement of Cash Flows

For the year ended 28 February 2023

	2023	2022
<b>Cash flows from operating activities</b>		
Profit for the financial year	29,436,080	12,772,817

	2023	2022
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(441,843)	(823,127)
Sale of intangible assets	-	(1,522)
Purchase of tangible assets	(4,222,041)	(7,370,198)
Interest received	161,916	73,826
<b>Net cash from investing activities</b>	<b>(4,501,968)</b>	<b>(8,121,021)</b>
<b>Cash flows from financing activities</b>		
(Repayment of)/finance lease	(68,749)	68,749
Dividend distributed	(5,700,000)	(3,324,750)
<b>Net cash used in financing activities</b>	<b>(5,768,749)</b>	<b>(3,256,001)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>13,532,727</b>	<b>(3,647,598)</b>
Cash and cash equivalents at beginning of year	845,782	4,493,380
<b>Cash and cash equivalents at the end of year</b>	<b>14,378,509</b>	<b>845,782</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	14,378,509	845,782
	<b>14,378,509</b>	<b>845,782</b>

# Notes to the Financial Statements

For the year ended 28 February 2023

## 1. General Information

Global Banking School Limited provides educational programme in Finance, Banking, Management and Healthcare.

The company is a private company limited by shares and incorporated in England and Wales. The address of its office and principal place of business is 891 Greenford Road, Greenford, London, UB6 0HE.

The financial statements are presented in Sterling (£).

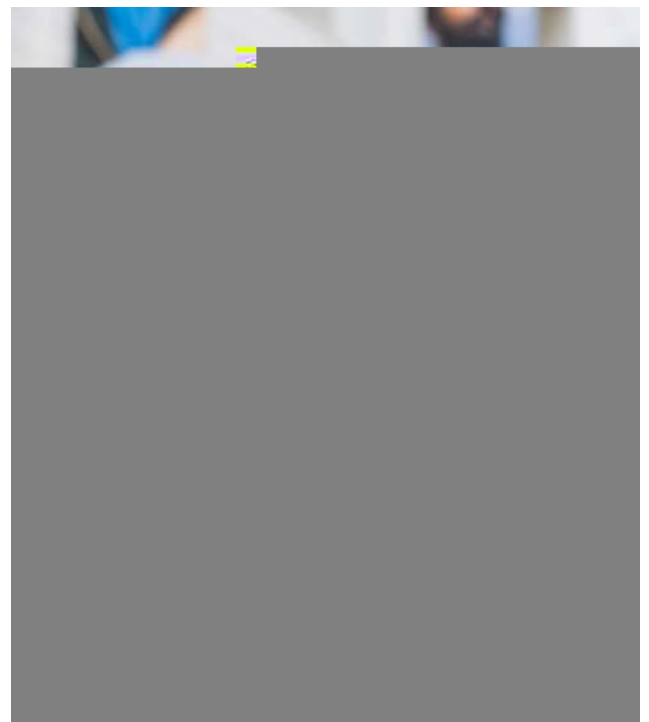
## 2. Accounting Policies

### 2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006, FRS 102 SORP 2015 and OfS Regulatory Advice: 9: Accounting direction.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Judgements require management's exercise of judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:





## 2.2 Going Concern

Having considered post year end trading, financial results, cash resources, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date the financial statements are approved. Accordingly, the company continues to adopt the going concern basis in preparing the financial statements.

## 2.3 Revenue

Revenue is derived from the provision of educational courses. Revenue is recognised when the event has a high probability that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax, and other taxable amounts. The following criteria must be met before revenue is recognised:

Revenue represents tuition fees in relation to courses delivered during the year and is recognised evenly over the period of the relevant course. Amounts invoiced for the course which will be provided in future periods are held at the balance sheet date

within deferred income. Where tuition has been provided but not yet been received the income is recognised as accrued income.

Revenue is recognised in relation to activities only. Activities are defined as those that are actively engaged in their course. Where a student is absent for a period of time, the Student Success Tutor contacts the student via phone or email to understand their absence and advise them on the potential impact a prolonged absence may have on their funding. The Retention Team is informed to re-engage and ultimately make a decision as to the student's status. If a student has not attended a course for a 4-week period and has not engaged with the relevant team and tutor, they are suspended from the course and after 5 weeks they are no longer considered active or exchangeable for admission. Income is not recognised in respect of such students after that period.

## 2.4 Intangible Assets

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

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

Amortisation is provided on the following basis:

Uniform implementation  
- 20% on a reducing balance basis

## 2.5 Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior year.

The current income tax charge is calculated on the basis of tax rate and laws that have been enacted or substantively enacted by the balance sheet date in the country where the company operates and generates income.

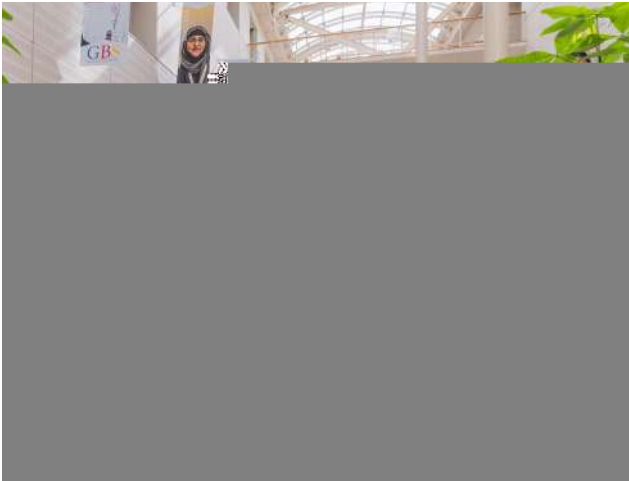
Deferred tax arises from timing differences that are differences between taxable profit and total comprehensive income as stated in the financial statements. The timing differences arise from the inclusion of income and expense in tax statements in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered again through the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining a recognised tax allowance have been met.

Deferred tax balances are not recognised in respect of permanent differences, except in respect of business combinations, when deferred tax is recognised on the difference between the fair value of assets acquired and the future tax deduction available for them and the difference between the fair value of liabilities acquired and the amount that will be allowed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.



## 2.7 Share Capital

Ordinary shares are classified as equity.

## 2.8 Operating Leases: The Company as Lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognized on a straight-line basis over the lease term, unless another systematic basis better represents the time pattern of the lessee's benefits from the use of the leased asset.

## 2.9 Financial Instruments

The company has elected to apply Section 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognized when the company becomes party to the contractual provision of the instrument.

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

The company's policies for its major classes of financial assets and financial liabilities are set out below.

## Financial Assets

Basic financial assets, including trade and other receivables, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognized at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payments are deferred beyond normal business term or financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortized cost using the effective interest method, less an impairment.

## Financial Liabilities

Basic financial liabilities, including trade and other payables are initially recognized at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payments are deferred beyond normal business term or financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortized cost using the effective interest rate method.

## Impairment of Financial Assets

Financial assets measured at cost and amortized cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognized in the profit and loss account.

For financial assets measured at cost, impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring an impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

### **Derecognition of Financial Assets and Financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are extinguished, or (b) substantially all the risk and reward of the ownership of the asset are transferred to another party or (c) the debtor has retained some significant risk and reward of ownership, control of the asset has been transferred to another party who has the practical ability to sell all the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### **Offsetting of Financial Assets and Financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to offset the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **2.10 Interest Income**

Interest income is recognised in profit or loss using the effective interest method.

### **2.11 Pensions**

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligation.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independent administered funds.

### **2.12 Foreign Currency Translation Functional and Presentation Currency**

## Transactions and Balances

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the date of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate then fair value is determined.

Foreign exchange gain and loss resulting from the settlement of transactions and from the translation at period-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedge.

Foreign exchange gain and loss that relate to borrowing and cash and cash equivalents are presented in the profit and loss account within 'finance income or cost'. All other foreign exchange gain and loss are presented in profit or loss within 'other operating income'.

### 2.13 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable on demand on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than

three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are those notes of bank orders that are repayable on demand and form an integral part of the company's cash management.

### 2.14 Provisions for liabilities

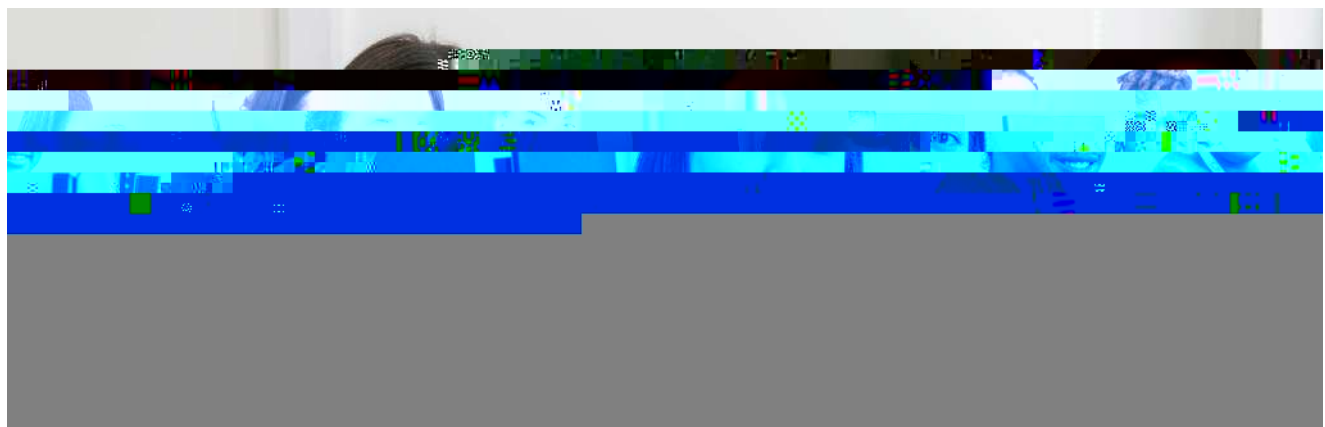
Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefits and a reliable estimate can be made of the amount of the obligation.

Provisions are charged against expense or profit in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

### 2.15 Dividends

Equity dividends are recognized when they become legally payable. Interim equity dividends are recognized when paid. Final equity dividends are recognized when approved by the shareholder at an annual general meeting.



### 3. Turnover

An analysis of turnover by class of business is as follows:

	2023	2022
Course tuition fees	163,087,946	81,345,896

Turnover is derived from the company's principal activities wholly undertaken in the United Kingdom.

### 4. Operating Profit

The operating profit is stated after charging:

	2023	2022
Depreciation of tangible fixed assets	2,393,703	1,200,265
Amortisation of intangible assets	170,907	42,228
Fees payable to the company's auditor for the audit of the company's financial statements	61,000	30,000
Fees payable to the company's auditor for other non-audit services	30,000	9,300
Exchange difference	22,251	17,302
Other operating lease rental	7,737,986	6,997,342
Defined contribution pension costs	551,387	413,067

### 5. Auditor's Remuneration

	2023	2022
Fees payable to the company's auditor and its associates for the audit of the company's financial statements	61,000	30,000
Fees payable to the company's auditor and its associates in respect of: All other services	21,703	9,300

## 6. Employees

Staff costs, including directors' remuneration, are as follows:

	2023	2022
Wages and salaries	30,477,846	15,407,959
Social security costs	3,404,110	1,523,266
Cost of defined contribution scheme	551,085	413,067
	<b>34,433,041</b>	<b>17,344,292</b>

The average monthly number of employees, including the director, during the year are as follows:

	2023 No.	2022 No.
Academic staff	545	200
Non-academic staff		

The total remuneration package for the head of provider in each year are as follows:

The head of the provider's basic salary is 5.7 (2022: 6.5) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The head of the provider's total remuneration is 7.8 (2022: 6.5) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

There were seven (2022: three) members of staff with a basic salary in excess of 100,000.

	2023 number	2022 number
100,000 - 104,999	2	-
105,000 - 119,999	-	-
120,000 - 124,999	1	-
125,000 - 129,999	-	-
130,000 - 134,999	-	1
135,000 - 139,999	1	-
140,000 - 144,999	2	-
145,000 - 149,999	-	-
150,000 - 154,999	-	1
155,000 - 249,999	-	-
250,000 - 254,999	1	1
	<b>7</b>	<b>3</b>

Key management personnel compensation (including directors) amounted to 589,693 (2022: 421,183)

## 7. Directors' Remuneration

	2023	2022
Salaries and emoluments	363,854	130,000
Contribution to defined contribution pension scheme	2,091	1,210
	<b>365,945</b>	<b>131,210</b>

The year retirement benefits were accruing to 2 directors (2022 - 1) in respect of defined contribution pension scheme.

The highest paid director received remuneration of 250,000 (2022 - 247,850).

The contribution of the company's contribution paid to a defined contribution pension scheme in respect of the highest paid director amounted to 881 (2022 - 1,504).

## 8. Interest Receivable

	2023 £o.	2022 £o.
Interest receivable from group companies	161,694	72,977



## 9. Taxation

	2023	2022
<b>Corporation tax</b>		
Current tax on profit for the year	6,848,928	2,587,757
Adjustment in respect of prior period	133,549	(20,147)
<b>Total current tax</b>	<b>6,982,477</b>	<b>2,567,610</b>
<b>Deferred tax</b>		
Origination and reversal of timing difference	(148,138)	802,197
<b>Tax on profit</b>	<b>6,834,339</b>	<b>3,369,807</b>

### Factors Affecting Tax Charge for the Year

The tax payable for the year is lower than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The difference are explained below:

	2023	2022
Profit on ordinary activities before tax	36,270,419	16,142,624
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	6,891,380	3,067,099
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	13,737	10,148
Capital allowance for year in excess of depreciation	(204,327)	(61,843)
Adjustment to tax charge in respect of prior period	133,549	182,467
Reassessment of deferred tax for change in tax rate	-	206,110
Non-taxable income	-	(14,027)
Adjustment for long accounting period leading to an increase (decrease) in the tax charge	-	(20,147)
<b>Total tax charge for the year</b>	<b>6,834,339</b>	<b>3,369,807</b>

### Factors that may Affect Future Tax Charges

In the Spring Budget 2021 on 3 March 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase 25% for companies with profits of over 250,000. A small profit rate will also be introduced for companies with profits of 50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between 50,000 and 250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

## 10. Dividends

	2023	2022
Dividend declared and paid	2,468,000	300,000
Dividend declared and unpaid	3,232,000	2,944,750
	<b>5,700,000</b>	<b>3,244,750</b>

## 11. Intangible Assets

	Computer software
<b>Cost</b>	
At 1 March 2022	823,127
Addition	441,843
At 28 February 2023	<b>1,264,970</b>
<b>Amortisation</b>	
At 1 March 2022	42,228
Charge for the year	170,907
At 28 February 2023	<b>213,135</b>
<b>Net book value</b>	
At 28 February 2023	<b>1,051,835</b>
At 28 February 2022	<b>780,899</b>

## 12. Tangible Fixed Assets

	Short-term leasehold property	Motor vehicles	Office equipment	Computer equipment	Total
<b>Cost or valuation</b>					
At 1 March 2022	5,840,754	219,767	1,579,218	1,918,726	9,558,465
Addition	2,274,738	-	870,838	1,076,465	4,222,041
At 28 February 2023	8,115,492	219,767	2,450,056	2,995,191	13,780,506
<b>Depreciation</b>					
At 1 March 2022	569,130	35,983	338,177	504,669	1,447,959
Charge for the year on owned assets	1,262,941	35,845	335,008	759,909	2,393,703
At 28 February 2023	1,832,071	71,828	673,185	1,264,578	3,841,662
<b>Net book value</b>					
At 28 February 2023	6,283,421	147,939	1,776,871	1,730,613	9,938,844
At 28 February 2022	5,271,624	183,784	1,241,041	1,414,057	8,110,506

The net book value of land and buildings may be further analysed as follows:

	2023	2022
Short-term leasehold	6,283,421	5,271,624
	6,283,421	5,271,624

### 13. Debtors

	2023	2022
<b>Due after more than one year</b>		
Amount owed by group undertaking	2,775,426	1,190,814
Other debtor	1,903,190	1,425,034
Prepayment and accrued income	2,222,205	
	<b>6,900,821</b>	<b>2,615,848</b>
<b>Due within one year</b>		
Trade debtor	53,337,745	34,935,455
Amount owed by group undertaking	3,647,810	880,734
Other debtor	19,228	11,949
Prepayment and accrued income	1,218,043	316,815
	<b>58,222,826</b>	<b>36,144,953</b>

### 14. Creditors: Amounts Falling Due within one Year

	2023	2022
Trade creditor	446,141	1,786,275
Amount owed by group undertaking	1,318,272	2,332,586
Corporation tax	5,872,736	2,684,205
Other taxation and social security	1,333,565	721,070
Obligation under finance lease and hire purchase contracts	-	68,749
Other creditor	98,387	231,516
Accrual and deferred income	31,876,519	20,615,037
	<b>40,945,620</b>	<b>28,439,438</b>

### 15. Creditors: Amounts Falling Due After more Than one Year

	2023	2022
Accrual and deferred income	4,579,984	3,019,261

## 16. Deferred Taxation

	2023
At beginning of year	(858,793)
Charged to profit or loss	148,138
<b>At end of year</b>	<b>(710,655)</b>

The provision for deferred taxation is made up as follows:

	2023	2022
Accelerated capital allowance	(710,655)	(858,793)

## 17. Provisions

	Dilapidation provision for leasehold properties	Other provision	Total
Charged to profit or loss	3,340,000	1,000,000	4,340,000

Dilapidation provision comprise the current estimate for dilapidation work required under the term of various lease agreements. The company has entered into

Other provision represent the provision for VAT due under the reverse charge provision.

## 18. Share Capital

	2023	2022
Ordinary shares are classified as equity		
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of 1 each	100	100

## 19. Reserves

### Profit and Loss Account

The profit and loss account includes all current and prior period retained profit and losses.

## 20. Analysis of Net Debt

	At 1 March 2022 (Restated)	Cash flows	At 28 February 2023
Cash at bank and in hand	845,782	13,532,727	14,378,509
Finance lease	(68,749)	68,749	-
	<b>777,033</b>	<b>13,601,476</b>	14,378,509

## 21. Contingent liabilities

The company's assets have been pledged as security to a banker, for the loan of 8,869,000 granted to a fellow subsidiary company.

## 22. Commitments Under Operating Leases

At 28 February 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
Not later than 1 year	8,348,058	3,927,078
Later than 1 year and not later than 5 years	32,628,039	17,463,886
Later than 5 years	16,036,182	12,364,630
	<b>57,012,279</b>	33,755,594

### 23. Related Party Transactions

The company has taken advantage of the exemption contained in FRS 102 section 33, Related Party Disclosure, from disclosing transactions with entities which are a wholly owned part of the group.

Transactions with other related parties are as follows:

### 24. Controlling Party

As at 28 February 2021 the company is a wholly owned subsidiary of Global Education Holding Limited, a company incorporated and registered in England and Wales. That company is registered at office in 891 Greenford Road, Greenford, London, United Kingdom, UB6 0HE.

The ultimate controlling party is Dr V. Rana.

### 25. Details of Grant and Fee Income

### 26. Access and Participation Investment





