Registered number
06368318

London School of Management Education Limited

Report and Financial Statements

31 August 2024

London School of Management Education Limited
Report and accounts
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London School of Management Education Limited
Company Information

Directors
Dr Ravi Kumar
Dr Sarita Parhi

Secretary
Dr Sarita Parhi

Auditors
Adroit Auditing Limited
Unit 8, Dock Offices
Surrey Quays Road
London
SE16 2XU

Bankers
HSBC Plc
118 High Street North
East Ham
London
E6 2HX

Registered office
Cambrian House
509-511 Cranbrook Road
Ilford
United Kingdom
IG2 6EY

Registered number
06368318

London School of Management Education Limited
Registered number: 06368318
Directors' Report

The directors present their report and financial statements for the year ended 31 August 2024.

Principal activities
The College continued to provide Higher Education in Teacher Training, Health and Social Care and Business Management courses accredited by Pearson and University of Chichester.
The College also works with the Department for Education (DfE) for courses designated for government funding administered through the Student Loans Company (SLC).

Directors
The following persons served as directors during the year:

Dr Ravi Kumar
Dr Sarita Parhi

Directors' responsibilities
The directors are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 30 January 2025 and signed on its behalf.

Dr Sarita Parhi
Director

London School of Management Education Limited

Registered number: 06368318

Strategic Report

The directors present their strategic report of the company for the year ended 31 August 2024.

Business Overview

This strategic report aims to present a detailed analysis of the London School of Management Education (LSME)'s current position while outlining a strategic plan to strengthen its performance, competitive edge, and influence within rapidly evolving landscape of the higher education sector in the UK. It highlights critical areas for development, as well as the academic quality, student engagement, research and innovation, financial resilience, and community partnerships.

Our commitment to high-quality education remained firm, with a strong emphasis on student engagement, achievement, retention, and progression, as aligned with our current TEF Silver rating. Additionally, we prioritised institutional growth, the expansion of our academic portfolio and improvement of our international collaborations.

We drafted our new Access and Participation Plan for the 2025-26 to 2028-29 to be submitted to the OfS, emphasising a thorough evaluation of the Equal Opportunity Risk Register and its applicability to the LSME context. The ongoing Access and Participation outreach projects also made remarkable strides in its strategic objectives. Internal research suggested that the provision of financial support for our students indeed correlated with their likelihood to progress from the foundation year to higher education. Our project with local schools also made significant impact on the attainment of pupils who undertook their GCSEs in Maths, English and Science in the 2023-24 Academic Year.

Our 11th Annual International Research Conference was organised in 2024 with the well-established theme of Responsible Research and Innovation (RRI), and explored the 'Re-visioning Practice in Education, Healthcare and Business' through contributions from internationally renowned figures, industry experts and researchers from different parts of the world.

The 2024 LSME Annual Convocation was held with great success, featuring a grand ceremony attended by esteemed guests from academia, local government, politics, diplomacy and local business. During this event, we celebrated the accomplishments of our graduates, recognising their hard work and dedication. Additionally, we reiterated our dedication to supporting our Alumni.

Statement of Corporate Governance

The two main components of the institutional governance system, namely Corporate Governance and Academic Governance have continued to operate collaboratively in the 2023-24 Academic Year. The Corporate Governance of LSME is overseen by the Board of Directors. On the other hand, Academic Governance falls under the purview of the Academic Board, supported by various committees and sub-committees.

The Governing Body, entrusted with matters of fundamental operational concern, typically acknowledges and defers to the Academic Board's role in academic governance. Nevertheless, it seeks assurance from the Academic Board regarding the effectiveness of the institution's academic governance system.

Board of governance and academic board

LSME has consistently upheld a strong reputation for academic excellence, quality, professional standards, and effective management practices. This is sustained through a robust governance system overseeing both academic and managerial operations. The Board of Directors, Senior Management Committee, and Academic Board, supplemented by various other committees, collectively contribute to maintaining and enhancing these high standards.

The Board of Directors (BoD) is the Governing Body of LSME and has the overall responsibility for the strategic planning and direction of all operations and management of the institute. It delegates management responsibilities to the Senior Management Committee and the Academic Board which are supported by various committees. The Board is made up of Executive Directors, Non-executive Directors as Externals and Senior Members of Staff. The Board members fulfil their roles in accordance with the constitutional document of LSME, its Student Charter and are subject to regulations for the operation of higher educational institutions as determined by the government and other regulators.

The BoD is also responsible for the statutory compliances of the College to ensure that it meets the laws and regulations of a company limited by shares, the regulations of its regulator and awarding bodies and the expectations of students, staff and shareholders.
The governance arrangement of the College aims to meet the expectations of the UK Higher Education sector, in the core values and primary elements of governance as set out in the Higher Education Code of Governance, published by Committee of Universities Chairs (CUC).

Audit Committee monitors and advises the BoD on the adequacy and effectiveness of arrangements for corporate governance, risk management and oversees any statutory and other regulatory responsibilities. The BoD also has taken the responsibility of ensuring regularity and propriety in the use of public funding. The use of such public funding is decided in the board meetings and recorded by way of minutes.

Statement of internal control

Our risk management framework, overseen by the Executive Director, in collaboration with the Board of Directors and the Audit Committee continues to support the sustainability of all our strategic objectives. This framework aims to monitor and mitigate diverse risks that could potentially impact the achievement of the institution's operations. The introduction of a Risk Register and the ongoing deliberation of risks occur within board and committee meetings, reflecting a proactive commitment to managing potential challenges.

The Executive Director, acting on behalf of the BoD, is responsible for the daily execution of internal controls at LSME. While the BoD makes significant decisions, their implementation is carried out by the Executive Director. The Audit Committee conducts periodic reviews of internal control procedures, with noteworthy observations discussed by the BoD. Recommendations stemming from these discussions are then executed by the Executive Director. These internal control mechanisms guarantee the consistent and purposeful utilization of public funds in strict accordance with their intended objectives.

Internal Control and Risk Management

The BoD assumes responsibility for ensuring the College's adherence to statutory agreements, ensuring alignment with the laws and regulations applicable to a company limited by shares. This includes compliance with the regulations set forth by its regulator and awarding organisations, as well as meeting the expectations of students, staff, and shareholders. The BoD plays a crucial role in overseeing that the institution operates within the legal framework and fulfils its obligations to various stakeholders.

The governance structure of the College is designed to align with the expectations of the UK higher education sector, incorporating core values and key governance elements outlined in the Higher Education Code of Governance by the Committee of University Chairs (CUC). The Audit Committee plays a pivotal role by monitoring and providing advice to the Board of Directors (BoD) on the sufficiency and effectiveness of corporate governance arrangements, risk management practices, and the oversight of statutory and regulatory responsibilities.

BoD has assumed the crucial responsibility of ensuring the regularity and propriety in the utilisation of public funding. The governance mechanism is designed to integrate the system of internal controls and risk management, ensuring a cohesive flow through the overall governance structure. This approach contributes to the prudent and accountable management of public funds within the institution.

The Academic Committee oversees the efficiency, effectiveness, and standardisation of academic operations, while the Senior Management Committee is responsible for administrative operations. The Executive Director, BoD, and Audit Committee collectively ensure the implementation of an effective Risk Management Framework at LSME. This Framework, including the initiation of a Risk Register and discussions on risks, is actively addressed in board and committee meetings. The goal is to monitor and manage diverse risks that may impact the institution's operational sustainability.

The internal control mechanisms are in place to ensure the consistent and purposeful utilisation of public funds, aligning strictly with the intended purposes for which those funds were allocated. This approach helps maintain financial integrity and accountability in the use of public resources.

The Audit Committee conducts periodic reviews of internal control procedures, with significant observations discussed by the BoD. Recommendations resulting from these discussions are then implemented by the Executive Director. The Academic Board has established a rigorous reporting mechanism to ensure accountability across academic departments and admissions through regular meetings and documentation. Meanwhile, administrative affairs fall under the purview of the Senior Management Committee, which convenes periodically.

All internal control matters are reported to the Board of Directors, and the recommendations are integrated back into the system through the Academic Board and the Senior Management Committee, ensuring a continuous improvement cycle in governance and control processes.

The foundation of our strong financial management and controls is rooted in the dedicated efforts of the Senior Management Committee. Regular reporting and approvals are sought through the Board of Directors, ensuring transparency and accountability in our financial processes. The primary emphasis of LSME's financial strategy revolves around financial prudence and sustainability, reflecting a commitment to sound fiscal practices for the long-term stability of the institution.

Internal Quality and Audits Committee has a broad range of activities involving governance, risk management and management controls over the efficiency and effectiveness of operations (including the safeguarding of assets), the reliability of financial and management reporting, and compliance with laws and regulations. It also reviews the extent to which academic and non-academic action plans are implemented and monitored. The committee comprises of an internal quality assurance manager, external independent financial adviser and a senior member of staff.

The Internal Quality Audit Committee plays a pivotal role in guaranteeing that all academic, admissions, and administrative processes adhere to established quality standards and meet the targets set for the academic year. Simultaneously, the Financial Control Committee focuses on scrutinizing budgeting processes, resource allocations, accountability measures, and expenditures to ensure financial responsibility and efficiency within the institution. These committees collectively contribute to maintaining high standards and effectiveness across various facets of the organisation.

The Health and Safety Team is responsible for supervising the safety and security of the premises. This committee reports its findings to the Senior Management Committee, offering insights on the adequacy of arrangements for internal control, risk management, governance, value for money, and the management and quality assurance of data. By providing an informed opinion on these critical aspects, the committee plays a key role in ensuring the overall well-being, security, and effectiveness of the institution's operations.

In addition, the policies, mechanisms and processes put in place to ensure robust internal controls and risk management are as below:

Work carried out annually by the Internal Quality and Audit Committee include:

a) Keeping under review, the effectiveness control and governance arrangements, including for the management and quality assurance of data submitted to the Higher Education Statistics Agency (HESA)/JISC, OfS and other funding bodies.

b) Reviewing the risk register, including the senior management's assessment of risk and to ensure that the controls and plans to mitigate risks are appropriate. The committee provided guidance during 2023-24 Academic Year for the review of the operational risk register for all aspects of our business. The team advised the Senior Management Committee on the risk register and monitored the implementation of agreed audit-based recommendations.

c) The team also considered quality systems within the academic provision and ensured that misconducts are properly investigated and appropriate actions are taken to mitigate such risks.

d) Other roles of this committee is recommending the College's Financial Statements to the Board of Directors for approval including and assuring the Board that the Financial Statements are in accordance with OfS's accounts directives and that the accounting policies and judgments are appropriate.

Research and development

During the 2023-24 Academic Year, LSME continued to pay more attention to elements of Responsible Research and Innovation (RRI), such as public engagement, open access, gender, ethics and governance. This was largely executed through dialogue with international institutions through its research conferences.

LSME has established valuable international partnership by signing a Memorandum of Understanding (MoU) with a reputable academic institution abroad in the 2023-24 Academic Year. The agreements outline firm plans for mutual support in promoting Business Management training, facilitating the development of young researchers, conducting collaborative research projects, and facilitating student and teacher exchange programs. These initiatives reflect LSME's commitment to global collaboration and the enhancement of educational and research opportunities for its community.

Several research publications have been published following the Research Conferences conducted by LSME. For example, the research proceedings booklets and research books were published on an open-access basis and are readily available to researchers and educators on LSME's website as an effort to expand the body of knowledge in the relevant fields.

Principal risks and uncertainties with mitigating actions.

During the 2023-24 Academic Year, our Diploma in Education and Training (DET) programme received an unfavourable Ofsted report-a judgment we strongly contested, given our consistent track record of high-quality delivery over the past decade, as recognised by Pearson Education, the awarding body. This report coincided with our deliberations on whether to seek accreditation for the new Diploma in Teaching (DIT) programme, which replaces the DET from September 2024. However, since Pearson was not offering the DIT, we were already evaluating alternative options.

In response to the report, we made a strategic decision not to pursue the DIT and instead focused on the following mitigating actions:

1. Minimising Student Disruption : We swiftly implemented a teach-out plan for the remaining continuing DET students, scheduled to complete their studies on time.
2. Exploring Alternative Qualifications: To better align with student needs, we sought and secured approval from our validation partners to deliver a BA (Hons) in Education Studies programme starting in 2024-25 AY.

Given the small cohort size and our ability to transition seamlessly to alternative educational programmes aligned with our institutional strategy, the Ofsted report had no impact on our overall provision of services

Our major challenge to find a credible third party organisation to oversee the running of our AEB grant remained in the 2023-24 Academic Year. This can be potentially challenging in the current competitive market but the board will continue to do its best to get this project started in due course.

Another potential challenge for us is joining the Register of Apprenticeship Training Organisations as soon as possible to support our ability to apply for grants for vocational programmes. We will continue to keep watch on call for bids for grants awarded by the OfS for degree apprenticeships.

Difficulties in securing high-level employment for leavers of HE is apparent across all HE sectors with similar student demographic structure as that of LSME. However, the introduction of the Employability and Enterprise Hub (EEH) and the Graduate First portal to support students with the requisite skills for employability will probably help us to overcome this difficulty. The impact of these initiative has started emerging in our existing student population and was even manifested in the student submission to the TEF 2023. Our successive GO survey results in the coming years will assess the overall impact of this initiative on graduate level employment and further studies.

Future developments

The Directors consider the future developments affecting the company to be covered within the "Review of Business" section of this strategic report. Additionally, the following areas will be considered.

1. We will continue to improve the uptake and provisions under the current EEH and Graduate First using feedback from students and external stake holders.
2. We will expand our range of educational programmes to better meet the diverse needs of our students.
3. We will continue to expand our external partnerships and engage more students with local employers to find suitable opportunities for work placement and volunteering for our students.
4. We will continue to work collaboratively with a team of experts to develop our Degree Apprenticeship programmes and apply for grants from the OfS in future to support the running of such programmes.
5. LSME is currently discussing the processes for the introduction of the LLE grants with its validation partner and will ensure we are prepared for development of flexible programmes in the near future under the new student funding proposal.

Financial instrument risk

The company has normal level exposure to price, credit, liquidity and cash flow risks arising from trading activities which are mostly conducted in sterling.

Key Performance Indicators:

The Key performance indicators for the company are a combination of factors that include number of students, offering wide choices of under-graduate and post-graduate study streams and revenue generated from offering these programmes.

During the year the number of students increased from 679 in 2022/23 to 696 in 2023/24 which is a increase of 2.5% and the revenue increased from £4,727,146 in 2022/23 to £5,075,271 in 2023/24 which is a increase of 6.8%. The operating profit increased from £1,318,696 in 2022/23 to £1,325,128 in 2023/24 which is an increase of 0.48%.

Capital and reserves as at 31 August 2024 was £6,280,556 compared to £5,388,452 as 31 August 2023, which is a significant improvement in the company's financial position.

Dr Sarita Parhi
Director
30 January 2025

London School of Management Education Limited
Independent auditor's report
to the members of London School of Management Education Limited

Opinion

We have audited the financial statements of London School Of Management Education Limited for the year ended 31 August 2024 which comprise Income Statement, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 August 2024 and of its profits for the year then ended 31 August 2024.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

- Have been prepared in accordance with the requirements of the Companies Act 2006.
- Where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Where applicable, funds provided by the OFS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OFS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations

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:

We focused on significant laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the applicable accounting framework, UK tax legislation and any other applicable laws and regulation that may have material effect on the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedure included enquiry with management and those charged with governance regarding any known or suspected instances of fraud, obtaining an understanding of the Company's policies and procedures relating to detecting risk of fraud and discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the measures management has in place to prevent and detect fraud,
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process, and
- Identifying and testing journal entries, in particular those journal entries posted around year end and reconciliation of journal listing;
- Testing on sample basis the revenue transactions during the year with the underlying supporting documents ensuring the accuracy of amount recorded;

As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential existed within the recording and recognition of revenue.

Our procedures in this respect were focused on the origination of revenue and directed towards ensuring the accuracy and completeness of the same by undertaking testing on a sample basis of the revenue items to ensure that revenue had been recorded correctly and in the appropriate accounting period. We consider that the work we undertook in this regard was considered capable of detecting irregularities and fraud within the sales cycle.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulations. This risk increases in the event of non-compliance with laws or regulations. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach. The risk is also greater regarding irregularities occurring to fraud other than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hassan Sheikh
(Senior Statutory Auditor)
for and on behalf of
Adroit Auditing Limited
Statutory Auditor
30 January 2025

Unit 8, Dock Offices
Surrey Quays Road
London

SE16 2XU

London School of Management Education Limited
Income Statement
for the year ended 31 August 2024

	Notes	2024 £	2023 £
Turnover	2	5,387,191	4,948,764
Cost of sales		(692,952)	(603,344)
Gross profit		4,694,239	4,345,420
Administrative expenses		(3,370,056)	(3,034,479)
Other operating income		945	7,755
Operating profit	3	1,325,128	1,318,696
Interest receivable		28,864	13,545
Interest payable	6	(209)	(3,562)
Profit on ordinary activities before taxation		1,353,783	1,328,679
Tax on profit on ordinary activities	9	(366,679)	(297,496)
Profit for the financial year		987,104	1,031,183

London School of Management Education Limited
Statement of Financial Position
as at 31 August 2024

	Notes		2024 £		2023 £
Fixed assets					
Tangible assets	10		777,720		681,360
Current assets					
Debtors	11	4,711,713		4,258,774	
Cash at bank and in hand		1,644,128		1,242,206	
		6,355,841		5,500,980	
Creditors: amounts falling due within one year	12	(771,698)		(757,825)	
Net current assets			5,584,143		4,743,155
Total assets less current liabilities			6,361,863		5,424,515
Provisions for liabilities					
Deferred taxation	13		(81,307)		(36,063)
Net assets			6,280,556		5,388,452
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		6,280,456		5,388,352
Total equity			6,280,556		5,388,452

Dr Ravi Kumar
Director
Approved by the board on 30 January 2025

London School of Management Education Limited
Statement of Changes in Equity
for the year ended 31 August 2024

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 September 2022	100	-	-	4,452,169	4,452,269
Profit for the financial year				1,031,183	1,031,183
Dividends				(95,000)	(95,000)
At 31 August 2023	100	-	-	5,388,352	5,388,452
At 1 September 2023	100	-	-	5,388,352	5,388,452
Profit for the financial year				987,104	987,104
Dividends				(95,000)	(95,000)
At 31 August 2024	100	-	-	6,280,456	6,280,556

London School of Management Education Limited
Statement of Cash Flows
for the year ended 31 August 2024

	Notes	2024 £	2023 £
Operating activities			
Profit for the financial year		987,104	1,031,183
Adjustments for:			
Interest receivable		(28,864)	(13,545)
Interest payable		209	3,562
Tax on profit on ordinary activities		366,679	297,496
Depreciation		126,699	118,753
Increase in debtors		(452,939)	(1,069,052)
(Decrease)/increase in creditors		(16,744)	100,012
		982,144	468,409
Interest received		28,864	13,545
Interest paid		(209)	(3,562)
Corporation tax paid		(290,818)	(201,278)
Cash generated by operating activities		719,981	277,114
Investing activities			
Payments to acquire tangible fixed assets		(223,059)	(399,343)
Cash used in investing activities		(223,059)	(399,343)
Financing activities			
Equity dividends paid		(95,000)	(95,000)
Repayment of loans		-	(100,000)
Cash used in financing activities		(95,000)	(195,000)
Net cash generated/(used)			
Cash generated by operating activities		719,981	277,114
Cash used in investing activities		(223,059)	(399,343)
Cash used in financing activities		(95,000)	(195,000)
Net cash generated/(used)		401,922	(317,229)
Cash and cash equivalents at 1 September		1,242,206	1,559,435
Cash and cash equivalents at 31 August		1,644,128	1,242,206
Cash and cash equivalents comprise:			
Cash at bank		1,644,128	1,242,206

London School of Management Education Limited
Notes to the Accounts
for the year ended 31 August 2024

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover (Revenue Recognition)

- Tuition fees are recognized on an accrual basis over the period of instruction, matching the financial period in which the educational services are delivered.
- Fees received in advance for future academic periods are recorded as deferred income and released as revenue over the relevant teaching period.
- Non-refundable deposits are recognized as revenue only when there is no obligation to refund.

Government Grants & Funding

- Revenue Grants (e.g., per-student funding, operational grants) are recognized as income when the performance-related conditions are met. If no conditions apply, they are recognized when receivable.
- Capital Grants (e.g., for infrastructure) are recognized as income over the expected useful life of the related asset.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	25% reducing balance method
Improvements to Land and buildings	10% straight line method

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 **Analysis of turnover**	**2024** £	**2023** £
Fee Income	5,075,271	4,727,146
Office for Students grants	311,920	221,618
	5,387,191	4,948,764
By geographical market:		
UK	5,387,191	4,948,764

3 Operating profit

	2024 £	2023 £
This is stated after charging:		
Depreciation of owned fixed assets	126,699	118,753
Operating lease rentals - land and buildings	267,996	267,996
Auditors' remuneration for audit services	12,000	15,000

4 Directors' emoluments

	2024 £	2023 £
Emoluments	145,000	145,000
Company contributions to defined contribution pension plans	115,597	75,597
Medical Insurance	-	4,504
	260,597	225,101
Highest paid director:		
Emoluments	75,000	75,000
Medical Insurance	-	2,252
Company contributions to defined contribution pension plans	57,799	37,798
	132,799	115,050

5 Staff costs

	2024 £	2023 £
Wages and salaries	1,209,472	1,163,379
Social security costs	127,172	115,855
Medical Insurance	-	4,504
Other pension costs	140,902	97,058
	1,477,546	1,380,796

No member of staff is paid over a full-time equivalent basic salary of £100,000 per annum.

Two directors to whom retirement benefits are accruing are the Key Management Personnels and highest paid director is also the head of provider.

Average number of employees during the year	Number	Number
Academic	19	20
Non-academic	15	17
	34	37

6 Interest payable

	2024 £	2023 £
Bank loans and overdrafts	209	3,562

7 Remuneration for the head of provider

	2024	2023
	£	£
Wages and salaries	75,000	75,000
Pension contribution	57,799	37,798
Medical Insurance	-	2,252
Dividends	48,450	48,450
	181,249	163,500

The head of the provider is responsible for daily operation of the management and the academic leadership.

The head of the provider's basic salary is 1.97 times and total remunerationss represent 6.1 times the median total remunerations 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.

The provider has not paid any compensation for loss of office to any staff member during the year.

8 Access participation plan

The provider has an access and participation plan that has been approved by the OfS' director of fair access and participation.
below is the breakdown of the expenditure during the year by type:

	2024	2023
	£	£
Access investments	281,348	276,108
Financial support provided to students	148,800	172,350
Support for disabled students	9,950	24,550
Research and evaluation	11,064	11,064
	451,162	484,072

Access and participation plan expenditures include staff costs of £161,279 and these costs are already included in the overall staff costs figure included in the financial statements as disclosed in Note 5.

9 Taxation

	2024	2023
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	321,436	293,968
Adjustments in respect of previous periods	-	(2,661)
	321,436	291,307
Deferred tax:		
Origination and reversal of timing differences	45,243	6,189
Tax on profit on ordinary activities	366,679	297,496

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2024	2023
	£	£
Profit on ordinary activities before tax	1,353,783	1,328,679
Standard rate of corporation tax in the UK	25%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	338,446	252,449
Effects of:		
Expenses not deductible for tax purposes	(17,010)	41,519
Adjustments to tax charge in respect of previous periods	-	(2,661)
Current tax charge for period	321,436	291,307

10 Tangible fixed assets

	Land and buildings	Plant and machinery	Total
	At cost	*At cost*	
	£	£	£
Cost or valuation			
At 1 September 2023	643,629	546,878	1,190,507
Additions	28,115	194,944	223,059
At 31 August 2024	671,744	741,822	1,413,566
Depreciation			
At 1 September 2023	152,077	357,070	509,147
Charge for the year	67,175	59,524	126,699
At 31 August 2024	219,252	416,594	635,846
Carrying amount			
At 31 August 2024	452,492	325,228	777,720
At 31 August 2023	491,552	189,808	681,360

11 Debtors

	2024 £	2023 £
Other debtors	4,633,451	4,199,611
Prepayments and accrued income	78,262	59,163
	4,711,713	4,258,774

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	71,993	106,424
Corporation tax	324,586	293,969
Other taxes and social security costs	32,376	30,590
Other creditors	319,817	306,306
Accruals and deferred income	22,926	20,536
	771,698	757,825

13 Deferred taxation

	2024 £	2023 £
Accelerated capital allowances	81,307	36,063

	2024 £	2023 £
At 1 September	36,063	29,874
Charged to the profit and loss account	45,244	6,189
At 31 August	81,307	36,063

14 Share capital

	Nominal value	2024 Number	2024 £	2023 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	100	100	100

15 Profit and loss account

	2024 £	2023 £
At 1 September	5,388,352	4,452,169
Profit for the financial year	987,104	1,031,183
Dividends	(95,000)	(95,000)
At 31 August	6,280,456	5,388,352

16 Dividends

	2024	2023
	£	£
Dividends on ordinary shares (note 15)	95,000	95,000

17 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings 2024	Land and buildings 2023	Other 2024	Other 2023
	£	£	£	£
Falling due:				
within one year	267,996	267,996	-	-
within two to five years	698,465	698,465	-	-
	966,461	966,461	-	-

18 Related party transactions

Included in other debtors is an amount of £4,615,595 (2023: £4,186,591) receivable from Orbit Properties London Ltd which is connected by virtue of common shareholding and directors in that company.

During the year the company paid rent of £267,996 (2023: £267,996) to Orbit Properties London Ltd which is connected by virtue of common shareholding and directors in that company.

The company has also provided guarantee to HSBC Bank against loan taken by Orbit Properties London Ltd by way of a fixed and floating charge over all assets of the company.

19 Controlling party

The directors of the company control the company by virtue of a controlling interest of the issued share capital.

20 Presentation currency

The financial statements are presented in Sterling.

21 Legal form of entity and country of incorporation

London School of Management Education Limited is a private company limited by shares and incorporated in England.

22 Principal place of business

The address of the company's principal place of business and registered office is:

Cambrian House
509-511 Cranbrook Road
Ilford
United Kingdom
IG2 6EY