

**Annual Report and  
Financial Statements for the Year Ended 31 July 2022  
for  
The Leicestershire College Limited**

## **Contents of the Financial Statements for the Year Ended 31 July 2022**

|   | <b>Page Number</b> |
|---|--------------------|
| Company Information   | 3                  |
| Strategic Report  | 4                  |
| Directors' Report   | 5                  |
| Statement of Directors' Responsibilities in Respect of the Financial Statements   | 6                  |
| Independent auditors' report to the members of The Leicestershire College Limited | 7                  |
| Statements of Comprehensive Income  | 10                 |
| Balance Sheet   | 11                 |
| Statements of Changes in Equity   | 12                 |
| Notes to the Financial Statements   | 13                 |

## **Company Information**

### **Directors**

Jayne L Dickenson-Darcy

Jo Maher

Hari N Khurmi

Ian G Marron

### **Registered Office**

Radmoor Road

Loughborough

Leicestershire

LE11 3BT

### **Registered Number**

10462838

### **Independent auditors:**

RSM UK Audit LLP

103 Colmore Row

Birmingham

B3 3G

## **Strategic Report**

### **for the Year Ended 31 July 2022**

The Leicestershire College Limited is wholly owned by Loughborough College in Leicestershire. It was incorporated on 4<sup>th</sup> November 2016 within the UK. The principal activity of the company is the provision of support services to Loughborough College.

#### **Business Review**

The Leicestershire College Limited is wholly owned by Loughborough College in Leicestershire. The principal activity of the company is the provision of support services to Loughborough College.

The Leicestershire College Limited operates out of premises at Loughborough College, Loughborough, Leicestershire from where its core services are delivered and marketed. The key performance measures that the Board of Directors and sole shareholder uses to monitor progress of the company against its objectives are:

- Margins at operational level;
- Turnover growth;
- Solvency;
- Staff turnover; and
- Staff skills development.

During the year ended 31 July 2022 the Board has monitored performance against the budget and the agreed business strategy and plans. Moving forward the board will continue to develop and refine the objectives and performance targets.

#### **Future Prospects**

The company is anticipated to grow further in the future as staff numbers increase to service Loughborough College.

#### **Principal Risks and Uncertainties**

The principal risk and uncertainty around the future for the business is related to the continuing engagement and demand from the core customer, Loughborough College.

**On behalf of the Board:**

[DULY SIGNED]

30/3/23

Director

[DULY SIGNED]

30/3/23

Jo Maher  
Director

## **Directors' Report**

### **for the Year Ended 31 July 2022**

The directors present their Directors' Report and audited financial statements for the year ended 31 July 2022.

#### **Principal Activities and Review of the Business**

The company's principal activity during the year was to support Loughborough College in its development and increase competitiveness in the economy whilst providing opportunity for improved quality and efficiency. It also supports the Loughborough College vision of "Broadening horizons, Transforming lives and Shaping futures", and its mission is "To transform and enrich lives through lifelong learning, empowering the workforce of tomorrow". Future developments of the company are detailed in the Strategic Report.

#### **Dividends**

No dividends are proposed up to the date of signing and as a result, no dividends will be distributed for the year ended 31 July 2022 (year ended 31 July 2021: Nil).

#### **Going Concern**

Loughborough College, the company's ultimate parent undertaking, continue to provide such support, financial and non-financial, as the company requires, to enable it to meet its liabilities as and when they fall due.

#### **Directors**

The directors shown below have held office during the whole of the period from 1 August 2020 to the date of this report.

| Name          | Date of Appointment | Date of resignation |
|---------------|---------------------|---------------------|
| Hari N Khurmi | November 2016       | -                   |
| Jo Maher      | April 2020          | -                   |
| Ian G Marron  | July 2021           | -                   |

Other changes in directors holding office are as follows:

| Name                    | Date of Appointment | Date of resignation |
|-------------------------|---------------------|---------------------|
| Colin D Butler          |                     | January 2022        |
| Jayne L Dickenson-Darcy | July 2022           | -                   |
| Wendy E Coy             | -                   | January 2022        |
| Ian R Sharpe            | -                   | July 2022           |

#### **Statement as to Disclosure of Information to Auditors**

In the case of each director in office at the Directors' Report is approved, so far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Independent Auditors**

For the financial year 2021/22 and 2020/21, the auditors were RSM UK Audit LLP

**On behalf of the Board:**

[DULY SIGNED]

Hari Khurmi  
Director

30/3/23

[DULY SIGNED]

Jo Maher  
Director

30/3/23

## **Statement of Directors' Responsibilities in Respect of the Financial Statements for the Year Ended 31 July 2022**

The directors are responsible for preparing the Strategic report and the Directors Report and the financial statements in accordance with applicable law and regulation. Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and applicable law).

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- 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 the 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. The directors are also responsible for the safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Independent auditors' report to the members of The Leicestershire College Limited

### Opinion

We have audited the financial statements of The Leicestershire College Limited (the 'company') for the year ended 31 July 2022 which comprise statement of comprehensive income, balance sheet and statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2022 and of its profit for the year then ended;
- 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.

### 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 company'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

## **Independent auditors' report (continued)**

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 set out on page ..., 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.

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



## Independent auditors' report (continued)

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

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

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

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

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

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

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

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

*Paul Oxtoby*

31 Mar 2023

Paul Oxtoby (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

103 Colmore Row

Birmingham

B3 3AG

# Statement of Comprehensive Income

Year Ended 31 July 2022

|  | Note | Year Ended<br>31 July 2022<br>£ | Year Ended<br>31 July 2021<br>£ |
|--|------|---------------------------------|---------------------------------|
| <b>Turnover</b>                                | 3    | 2,811,293                       | 2,128,350                       |
| Other Income                                   | 4    | 72                              | 21,161                          |
| Cost of Sales                                  | 5    | (2,519,969)                     | (1,922,599)                     |
| <b>Gross Profit</b>                            |      | <b>291,396</b>                  | <b>226,912</b>                  |
| Administrative Expenses                        | 6    | (273,882)                       | (124,841)                       |
| <b>Operating Profit</b>                        | 7    | <b>17,514</b>                   | <b>102,071</b>                  |
| <b>Profit before Interest and Taxation</b>     |      | <b>17,514</b>                   | <b>102,071</b>                  |
| Other interest receivable and similar income   |      | 0                               | 0                               |
| Interest payable and similar charges           |      | 0                               | 0                               |
| <b>Profit Before Taxation</b>                  |      | <b>17,514</b>                   | <b>102,071</b>                  |
| Taxation                                       | 8    | 0                               | 0                               |
| <b>Profit for the Financial Year</b>           |      | <b>17,514</b>                   | <b>102,071</b>                  |
| <b>Total Comprehensive Income for the Year</b> |      | <b>17,514</b>                   | <b>102,071</b>                  |

All amounts relating to continuing activities.

The notes on pages 13 to 19 form part of the financial statements.

## Balance Sheet

As at 31 July 2022

|  | Note | Year Ended<br>31 July 2022<br>£ | Year Ended<br>31 July 2021<br>£ |
|--|------|---------------------------------|---------------------------------|
| <b>Non Current Assets</b>                              |      |                                 |                                 |
| Tangible Fixed Assets                                  | 9    | 18,255                          | 0                               |
|  |      | <b>18,255</b>                   | <b>0</b>                        |
| <b>Current Assets</b>                                  |      |                                 |                                 |
| Debtors  | 10   | 1                               | 85                              |
| Cash at bank and in hand                               |      | 207,084                         | 357,534                         |
|  |      | <b>207,085</b>                  | <b>357,619</b>                  |
| <b>Creditors – Amounts Falling Due Within One Year</b> | 11   | (207,825)                       | (255,547)                       |
| <b>Net Current Assets</b>                              |      | <b>(740)</b>                    | <b>102,072</b>                  |
| <b>Total Assets Less Current Liabilities</b>           |      | <b>17,515</b>                   | <b>102,072</b>                  |
| <b>Total Net Assets</b>                                |      | <b>17,515</b>                   | <b>102,072</b>                  |
| <b>Capital and Reserves</b>                            |      |                                 |                                 |
| Retained Earnings                                      |      | 17,514                          | 102,071                         |
| Called up Share Capital                                | 12   | 1                               | 1                               |
| <b>Total Unrestricted Reserves</b>                     |      | <b>17,515</b>                   | <b>102,072</b>                  |
| <b>Shareholder's funds</b>                             |      | <b>17,515</b>                   | <b>102,072</b>                  |

The financial statements on pages 11 to 19 were approved and authorised for issue by the Directors and were signed on its behalf on the date shown below by:

[DULY SIGNED]

Hari Khurmi  
Director

30/3/23

[DULY SIGNED]

Jo Maher  
Director

30/3/23

**Statements of Changes in Equity**  
**Year Ended 31 July 2022**

|  | Called up<br>Share<br>Capital | Retained<br>Earnings | Total<br>Equity |
|--|-------------------------------|----------------------|-----------------|
|  | £                             | £                    | £               |
| <b>Balance at 31st July 2020</b>   | <b>1</b>                      | <b>98,844</b>        | <b>98,845</b>   |
| Profit for the Financial Year and<br>Total Comprehensive Income for the Year | 0                             | 102,071              | 102,071         |
| Gift Aid   | 0                             | (98,844)             | (98,844)        |
| <b>Total Comprehensive Income for the Year</b>                               | <b>0</b>                      | <b>3,227</b>         | <b>3,227</b>    |
| <b>Balance at 31st July 2021</b>   | <b>1</b>                      | <b>102,071</b>       | <b>102,072</b>  |
| Profit for the Financial Year and<br>Total Comprehensive Income for the Year | 0                             | 17,514               | 17,514          |
| Gift Aid   | 0                             | (102,071)            | (102,071)       |
| <b>Total Comprehensive Income for the Year</b>                               | <b>0</b>                      | <b>(84,557)</b>      | <b>(84,557)</b> |
| <b>Balance at 31st July 2022</b>   | <b>1</b>                      | <b>17,514</b>        | <b>17,515</b>   |

## **Notes to the Financial Statements for the Year Ended 31 July 2022**

### **1 Statutory Information**

The Leicestershire College Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page. The company is incorporated in the United Kingdom. The presentation currency of the financial statements is the Pound Sterling (£).

### **2 Accounting Policies**

These financial statements were prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the requirements of the Companies Act 2006. The financial statements are prepared in accordance with the historical cost convention.

The company's ultimate parent undertaking, and the smallest and largest group to consolidate these financial statements, is Loughborough College and includes the company in its consolidated financial statements. The consolidated financial statements of Loughborough College are prepared in accordance with FRS102 and are available to the public and may be obtained from Loughborough College. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes (Section 7 of FRS 102 and para 3.17 (d)); and
- Key Management Personnel compensation (para 33.7).

As the consolidated financial statements of Loughborough College include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument and FRS 102.12 Other Financial Instrument Issues not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### **Accounting estimates and judgements**

##### **Key sources of estimation uncertainty**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

##### *Impairment of debtors*

The company makes an estimate for the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. For the current year, as all balances are intercompany, there is no such estimate made.

#### **Critical accounting judgements in applying the Company's accounting policies**

There are no such judgements in either the current or prior period.

## **Notes to the Financial Statements (continued)**

### **2 Accounting Policies (continued)**

#### **Going concern**

The company meets its day to day working capital requirements through careful management and support from its parent undertaking. The directors have obtained a letter of support from the parent undertaking, and on the basis of that support, consider it appropriate to adopt the going concern basis in preparing these financial statements. In assessing the ability of the group to continue to operate as a going concern for the foreseeable future, the directors have considered the cash resources available to ensure that the company can meet its liabilities as they fall due.

#### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover is recognised once the service has been provided to the College in accordance with the Services agreement. Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance.

#### **Financial instruments**

##### **Basic financial instruments**

Non-derivative financial instruments comprise, trade and other debtors, cash and cash equivalents and trade and other creditors. The company has decided to apply the provisions of section 11 'Basic Financial Instruments' and sections 12 'Other Financial Instruments'. The financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

##### **Trade and other debtors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. If any arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. Included are certain amounts held in segregated accounts where required by applicable local law which are used to settle auction proceeds payable.

##### **Trade and other creditors**

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. If any arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

#### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## Notes to the Financial Statements (continued)

### 2 Accounting Policies (continued)

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference. 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.

#### Equity instruments accounting policy:

The equity instruments issued by the company are recorded at the proceeds received, net of direct issues costs. The distributions under gift aid to the charitable company are recognised when the amounts are paid to the charitable company.

#### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

#### Non-current Assets - Tangible fixed assets

The company mirrors the policy of its ultimate parent company, Loughborough College. Tangible fixed assets are stated at cost / deemed cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets. Land and buildings. Freehold buildings are depreciated on a straight line basis over their expected useful lives. The policy of depreciating major adaptations to buildings, is over the period of their useful economic life of between 10 and 30 years.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

### 3 Turnover

|                      | Year Ended<br>31 July 2021 | Year Ended<br>31 July 2021 |
|----------------------|----------------------------|----------------------------|
|                      | £                          | £                          |
| Services             | 2,804,787                  | 2,126,305                  |
| Miscellaneous Income | 6,506                      | 2,045                      |
| <b>Total</b>         | <b>2,811,293</b>           | <b>2,128,350</b>           |

All turnover relates to UK based activity and provision of Education based support services.

### 4 Other Income

|  | Year Ended<br>31 July 2022 | Year Ended<br>31 July 2021 |
|--|----------------------------|----------------------------|
|  | £                          | £                          |
| Coronavirus Job Retention Scheme grant | 72                         | 21,161                     |
| <b>Total</b>                           | <b>72</b>                  | <b>21,161</b>              |

## Notes to the Financial Statements (continued)

### 5 Employees and Directors

The average number of persons (including key management personnel) employed by the College during the year, expressed as average headcount and calculated on a monthly basis, was:

|            | Year Ended<br>31 July 2022 | Year Ended<br>31 July 2020 |
|------------|----------------------------|----------------------------|
|            | No.                        | No.                        |
| Operations | 158                        | 117                        |
|            | <b>158</b>                 | <b>117</b>                 |

#### Staff Costs for the Above Persons

|                       | Year Ended<br>31 July 2022 | Year Ended<br>31 July 2020 |
|-----------------------|----------------------------|----------------------------|
|                       | £                          | £                          |
| Wages and Salaries    | 2,312,767                  | 1,773,482                  |
| Social Security Costs | 154,276                    | 111,828                    |
| Other Pension Costs   | 52,926                     | 37,289                     |
| <b>Payroll Total</b>  | <b>2,519,969</b>           | <b>1,922,599</b>           |

No Director received any emoluments from the company during the year (2021: £Nil). The cost has been borne by the Parent undertaking.

### 6 Administrative Expenses

|                       | Year Ended<br>31 July 2022 | Year Ended<br>31 July 2021 |
|-----------------------|----------------------------|----------------------------|
|                       | £                          | £                          |
| Professional Services | 16,635                     | 9,530                      |
| Travel                | 10,732                     | 1,564                      |
| Insurance             | 5,281                      | 6,376                      |
| Legal Fees            | 0                          | 4,735                      |
| Secondment Cost       | 237,520                    | 100,182                    |
| Sundry Expenses       | 3,261                      | 2,454                      |
| Depreciation (Note 9) | 453                        | 0                          |

### 7 Operating Profit

|  | Year Ended<br>31 July 2022 | Year Ended<br>31 July 2021 |
|--|----------------------------|----------------------------|
|  | £                          | £                          |
| Operating profit is stated after charging: |                            |                            |
| Auditors' remuneration                     | 8,280                      | 8,400                      |
| <b>Total</b>                               | <b>8,280</b>               | <b>8,400</b>               |



## Notes to the Financial Statements (continued)

### 8 Tax on Profit

#### Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 July 2022 nor for the year ended 31 July 2021. The amounts equal to taxable profits of the company are passed to the parent through gift aid distribution within 9 months of the year end and therefore no corporation tax is payable by the company.

#### Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

|  | Year Ended<br>31 July 2022<br>£ | Year Ended<br>31 July 2021<br>£ |
|--|---------------------------------|---------------------------------|
| Profit before tax  | 17,514                          | 102,071                         |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%) | 3,328                           | 19,393                          |
| Effects of<br>Gift aid   | (3,328)                         | (19,393)                        |
| <b>Total tax charge</b>  | <b>0</b>                        | <b>0</b>                        |

### 9 Tangible Fixed Assets

|                                       | Land and<br>Buildings<br><br>Freehold<br><br>£ | Total<br><br><br><br>£ |
|---------------------------------------|--|------------------------|
| <b>Cost or Valuation</b>              |  |                        |
| At 1 August 2021                      | 0  | 0                      |
| Additions                             | 18,708   | 18,708                 |
| <b>At 31 July 2022</b>                | <b>18,708</b>                                  | <b>18,708</b>          |
| <b>Accumulated Depreciation</b>       |  |                        |
| At 1 August 2021                      | 0  | 0                      |
| Charge for the Year                   | 453  | 453                    |
| <b>At 31 July 2022</b>                | <b>453</b>                                     | <b>453</b>             |
| <b>Net Book Value at 31 July 2022</b> | <b>18,255</b>                                  | <b>18,255</b>          |
| <b>Net Book Value at 31 July 2021</b> | <b>0</b>                                       | <b>0</b>               |

## Notes to the Financial Statements (continued)

### 10 Debtors

|                                     | 31 July 2022 | 31 July 2021 |
|-------------------------------------|--------------|--------------|
|                                     | £            | £            |
| Amounts Owed by Group Undertakings: | 1            | 85           |
| <b>Total</b>                        | <b>1</b>     | <b>85</b>    |

Amounts owed by group undertakings are trading balances repayable on demand and are non-interest bearing.

### 11 Creditors: Amounts Falling Due Within One Year

|                                     | 31 July 2022   | 31 July 2021   |
|-------------------------------------|----------------|----------------|
|                                     | £              | £              |
| Trade Creditors                     | 19,765         | 9,952          |
| Corporation Tax                     | 0              | 0              |
| Amounts Owed to Group Undertakings: | 59,345         | 154,977        |
| Taxation and Social Security        | 55,966         | 38,922         |
| Accruals and Deferred Income        | 59,402         | 50,920         |
| Holiday Accrual                     | 13,347         | 776            |
| <b>Total</b>                        | <b>207,825</b> | <b>255,547</b> |

Amounts owed by group undertakings are trading balances repayable on demand and are non-interest bearing.

### 12 Called Up Share Capital

|   | 31 July 2022 | 31 July 2021 |
|---|--------------|--------------|
|   | £            | £            |
| <b>Authorised, allocated, issued and not fully paid</b> |              |              |
| Ordinary shares of £1 each (Nominal & Par Value)        | 1            | 1            |
| <b>Total</b>  | <b>1</b>     | <b>1</b>     |

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

### 13 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pensions cost charge represents contributions payable by the company to the existing scheme.

### 14 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Loughborough College, an entity incorporated under the Further and Higher Education Act 1992 which is also the ultimate controlling party. Copies of the ultimate parent undertaking's financial statements may be obtained from Loughborough College, Radmoor Road, Loughborough, Leicestershire LE11 3BT. Loughborough College is the smallest and largest group who consolidate the Financial Statements with.

**Notes to the Financial Statements (continued)**

**15 Related party transactions**

The company has taken advantage of the exemption available under paragraph 33.1a of the provisions of FRS102 Related Party Disclosures, on the grounds that it is a wholly owned subsidiary of a group headed by Loughborough College, whose financial statements are publicly available.