

**Company registration number: 05860589**

**Brit College Limited  
Trading as Brit College Limited**

**Financial statements**

**30 June 2023**

## Brit College Limited

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**Brit College Limited**

**Directors and other information**

<b>Directors</b>	Mr Musaddiq Ahmed Mr Al-Masum Al-Amin Mr A B M Raziur Rahman
<b>Company number</b>	05860589
<b>Registered office</b>	602 Commercial Road London E14 7HS
<b>Business address</b>	602 Commercial Road London E14 7HS
<b>Auditor</b>	K K Associates 305 Crown House North Circular Road, Park Royal London NW10 7PN

**Brit College Limited**

**Directors report  
Period ended 30 June 2023**

The directors present their report and the financial statements of the company for the period ended 30 June 2023.

**Directors**

The directors who served the company during the period were as follows:

Mr Musaddiq Ahmed  
Mr Al-Masum Al-Amin  
Mr A B M Raziur Rahman

## **Brit College Limited**

### **Directors report (continued) Period ended 30 June 2023**

#### **Other matters**

#### **Corporate Governance**

Brit College is an independent higher education provider, offering Ofqual approved levels 4 and 5 HN Business and DET courses. It is a Limited Company incorporated in England and Wales. The College conducts its activities solely within the geographic boundaries of England.

The College has a robust and comprehensive management and governance framework. It meticulously follows regulations and meets the academic standards and quality criteria of OfS and the awarding bodies.

#### **Strategic Direction and Objectives**

Brit Colleges follows four strategic themes that serve as its key objective: Student Engagement, Widening Participation, Employability and enhancement. Student Engagement and Widening Participation align with the ongoing requirements for OfS registration, whilst Employability helps the College achieve the progression element of the regulatory requirement B3, student outcomes. The College offers high levels of support to its students and continuously works to improve its approaches to student support, aligning with Teaching Excellence Framework.

In the short term, the college seeks university partnerships that can open numerous collaboration opportunities and expand its provision, ultimately benefiting both the college and the students. Adding diverse programs can attract more students, increasing enrolment and revenue streams. The college is also seeking revenue-generation joint venture initiatives which can also strengthen its financial position.

The College is committed to the best teaching and learning experience, along with student support, which is crucial for maintaining high educational standards. Additionally, a strong focus on regulatory compliance and governance ensures that the college operates ethically and within established guidelines, which is vital for its reputation and credibility.

In the long run, the college wishes to secure its Degree Awarding Power (DAP). This move can provide greater autonomy and credibility to the college's academic offerings.

#### **Statement of Corporate Governance**

Brit College has a corporate governance structure, with the College Oversight Board (COB) overseeing all the activities at every level of the organisation. COB holds to account all other committees of the College and Management. It also provides advice and support to the Senior Management Team and the Chief Executive. The College Oversight Board is Accountable to all stakeholders, including regulatory and funding bodies, Awarding organisations, directors of the College and students. Delegates authority to the Chief Executive, Senior Management and other Boards and committees to conduct the day-to-day running of the College. It reviews and approves the constitution, membership, and terms of reference of all Boards and committees. It also signs off any actions, data and outward-facing information, having satisfied that all due diligence checks have been followed and applied. In doing so, COB ensures that reporting is fair and balanced.

The COB operates through its four subcommittees, the two leading ones being the Finance and General Purposes and the Risk and Compliance subcommittees.

The Finance and General Purposes subcommittee maintains oversight of the College's funding arrangements and ensures that all financial conditions related to funding are satisfactory and that value for money is secured. In addition, the Finance and General Purposes Subcommittee initiates and oversees investigations of any matters of concern of a regulatory nature, including the College's ability to maintain the conditions of registration with the Office for Students and investigates, collects, and reports information regarding any conflicts of interest.

## **Brit College Limited**

### **Directors report (continued) Period ended 30 June 2023**

The College applies different policies to ensure transparency across all levels of the organisation. There is a Risk Management Policy for the Management of Risk, which the College applies together with the Risk register, which keeps records of potential risk areas across the organisation. The Risk Register lists all potential risks, including evaluating the likelihood and impact of risks becoming a reality for each identified risk. The Audit and Risk subcommittee works with the Finance and General Purposes subcommittee to assess Economic, Financial and Business risks and recommend approaches to the College Oversight Board to mitigate any identified risks. It works with the Senior Management Team, operational teams and the Academic Board to identify business, operational and compliance risks.

The other key policy is the Anti-Bribery and Conflict of Interest Policy. This policy provides guidelines regarding what constitutes a conflict and how conflicts will be managed and dealt with when identified. The College applies this policy together with the Conflict-of-Interest register. All internal and external stakeholders, including the Chair and members of the College Oversight Board, declare any potential conflicts on joining the organisation and update the register annually.

These arrangements also apply to the systems for internal control. The Anti-Bribery and Conflict of Interest Policy, together with the declaration of potential conflicts, extend to the arrangements and internal controls for preventing and detecting corruption, fraud, bribery and other irregularities among management, staff and students.

The College Oversight Board ensures quarterly meetings with its Panels and the Senior Management Team are held without fail. At the meetings, COB receives regular reports on any risks identified and how management dealt with these situations. This ensures that the processes for identifying and managing risk are ongoing and are in the best interest of the College's objectives. COB and its subcommittees have not raised any significant concerns regarding the College's governance and internal controls.

The college believes that these arrangements are adequate and effective for corporate governance, risk management and oversight of any statutory and other regulatory responsibilities, including compliance with the OfS's ongoing conditions of registration, any terms and conditions of funding, as well as any other relevant regulatory responsibilities and have been during the period covered by the financial statements up to the date of approval of the audited financial statements.

## **Brit College Limited**

### **Directors report (continued) Period ended 30 June 2023**

#### **Internal control statement**

The College Oversight Board (COB) is responsible for ensuring a sound system of internal control to support the College's policies and objectives. It is responsible for safeguarding any public and other funds available to the College.

Internal control is designed to manage rather than eliminate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute, assurance against material misstatement or loss. It is also designed to prevent and detect fraud and other irregularities.

The College's system of internal control is informed by a continuous process to identify, evaluate and manage the College's significant risks, linked to the achievement of institutional objectives. This process covers business, operational and compliance as well as financial risk.

The effectiveness of the system of internal control is assessed in the following ways:

- \* The Finance and General Purposes Committee approves a programme of special internal audits in addition to a programme of continuous auditing of the core financial systems. The programme of internal audit is based around a structured assessment of system risks within the College's operations and is reviewed in-year to ensure that emerging issues are addressed
- \* The Risk Register identifies the main risk owners and risk mitigating actions.
- \* The College Oversight Board receives regular progress reports on risk management and confirms there is a clear policy and plan of risk management.
- \* The Risk and Compliance Committee regularly reviews all aspects of the Risk Register.
- \* The Risk and Compliance Committee oversees the arrangements for risk management. The College Oversight Board receives a regular report from the Risk and Compliance Committee.
- \* The Finance and General Purposes Committee receives reports from the internal auditor staff assigned. These reports provide an independent opinion on the adequacy and effectiveness of the College's arrangements for risk management and the internal control systems, together with appropriate recommendations.

The Head of Provider and the Director of Finance attend meetings and have direct and independent access to members of the Finance and General Purposes Committee, and the auditors.

The College Oversight Board, through the Risk and Compliance and the Finance and General Purpose Committees, have reviewed the effectiveness of the system of internal control operating during the period ended 30 June 2023 and up to the date of approval of the financial statements. There were no significant internal control issues during the year.

## Brit College Limited

### Directors report (continued) Period ended 30 June 2023

#### Directors responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

#### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

A resolution to reappoint K K Associates as auditor will be proposed at the forthcoming Annual General Meeting.

#### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 28 November 2023 and signed on behalf of the board by:



Mr Musaddiq Ahmed  
Director



Mr A B M Raziur Rahman  
Director



## **Brit College Limited**

### **Independent auditor's report to the members of Brit College Limited Period ended 30 June 2023**

#### **Opinion**

We have audited the financial statements of Brit College Limited (the 'company') for the period ended 30 June 2023 which comprise the statement of comprehensive income, 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 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 30 June 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **Brit College Limited**

### **Independent auditor's report to the members of Brit College Limited (continued) Period ended 30 June 2023**

#### **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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and from the requirement to prepare a strategic report.

#### **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. 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:

## **Brit College Limited**

### **Independent auditor's report to the members of Brit College Limited (continued) Period ended 30 June 2023**

We obtained an understanding of the legal and regulatory frameworks relating to financial reporting that are applicable to the entity, which it has to comply with. Our audit tests included tests to check this compliance to the extent that we are expected to do so.

In our risk assessment process detailed discussions and planning took place to ensure that our audit procedures are so designed that any material irregularity including fraud will be uncovered when we carry out our tests.

In addition, our meetings with the company's management included enquiries that were focused on detection of irregularities including fraud. Discussions included consideration of the risk of management override on controls and segregation of duties.

As part of our audit, we reviewed all the significant transactions that took place during the year. In addition, we reviewed Board minutes and any correspondence with all regulatory authorities.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

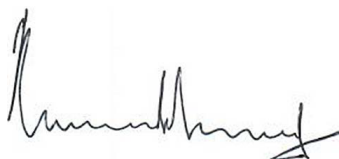
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

**Brit College Limited**

**Independent auditor's report to the members of  
Brit College Limited (continued)  
Period ended 30 June 2023**



Kamal A. Kureshi (Senior Statutory Auditor)

For and on behalf of  
K K Associates  
Statutory Auditors  
305 Crown House  
North Circular Road, Park Royal  
London  
NW10 7PN

28 November 2023

**Brit College Limited**

**Statement of comprehensive income  
Period ended 30 June 2023**

	<b>Note</b>	<b>Period ended 30/06/23 £</b>	<b>Year ended 31/12/21 £</b>
<b>Turnover</b>	<b>4</b>	3,346,890	688,513
Cost of sales		(1,592,952)	(344,389)
<b>Gross profit</b>		<u>1,753,938</u>	<u>344,124</u>
Administrative expenses		(1,462,876)	(308,698)
Other operating income	<b>5</b>	10,000	-
<b>Operating profit</b>	<b>6</b>	<u>301,062</u>	<u>35,426</u>
Other interest receivable and similar income	<b>9</b>	782	2
Exceptional items	<b>10</b>	(135,007)	-
<b>Profit before taxation</b>		166,837	35,428
Tax on profit	<b>11</b>	(60,310)	(10,520)
<b>Profit for the financial period and total comprehensive income</b>		<u><u>106,527</u></u>	<u><u>24,908</u></u>

All the activities of the company are from continuing operations.

**The notes on pages 16 to 24 form part of these financial statements.**

**Brit College Limited**

**Statement of financial position  
30 June 2023**

		30/06/23		31/12/21	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12	1,430,545		1,430,250	
Investments	13	-		900,045	
		1,430,545		2,330,295	
<b>Current assets</b>					
Debtors	14	770,821		1,106,900	
Cash at bank and in hand		1,818,956		62,082	
		2,589,777		1,168,982	
<b>Creditors: amounts falling due within one year</b>	15	(1,399,457)		(984,939)	
<b>Net current assets</b>		1,190,320		184,043	
<b>Total assets less current liabilities</b>		2,620,865		2,514,338	
<b>Creditors: amounts falling due after more than one year</b>	16	(1,597,072)		(1,597,072)	
<b>Net assets</b>		1,023,793		917,266	
<b>Capital and reserves</b>					
Called up share capital	17	269,000		269,000	
Profit and loss account		754,793		648,266	
<b>Shareholders funds</b>		1,023,793		917,266	

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**The notes on pages 16 to 24 form part of these financial statements.**

**Brit College Limited**

**Statement of financial position (continued)**  
**30 June 2023**

These financial statements were approved by the board of directors and authorised for issue on 28 November 2023, and are signed on behalf of the board by:



Mr Musaddiq Ahmed  
Director



Mr A B M Raziur Rahman  
Director

Company registration number: 05860589

**The notes on pages 16 to 24 form part of these financial statements.**

**Brit College Limited**

**Statement of changes in equity  
Period ended 30 June 2023**

	Called up share capital	Profit and loss account	Total
	£	£	£
<b>At 1 January 2021</b>	269,000	623,358	892,358
Profit for the period		24,908	24,908
<b>Total comprehensive income for the period</b>	-	24,908	24,908
<b>At 31 December 2021 and 1 January 2022</b>	269,000	648,266	917,266
Profit for the period		106,527	106,527
<b>Total comprehensive income for the period</b>	-	106,527	106,527
<b>At 30 June 2023</b>	269,000	754,793	1,023,793



**Brit College Limited**

**Statement of cash flows  
Period ended 30 June 2023**

	<b>Period ended 30/06/23 £</b>	<b>Year ended 31/12/21 £</b>
<b>Cash flows from operating activities</b>		
Profit for the financial period	106,527	24,908
<i>Adjustments for:</i>		
Depreciation of tangible assets	25,821	19,942
Exceptional items	135,007	-
Other interest receivable and similar income	(782)	(2)
Tax on profit	60,310	10,520
<i>Changes in:</i>		
Trade and other debtors	336,079	(255,112)
Trade and other creditors	485,409	(33,769)
Cash generated from operations	1,148,371	(233,513)
Interest received	782	2
Tax paid	(99,228)	(18,958)
Net cash from/(used in) operating activities	1,049,925	(252,469)
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(26,116)	-
Proceeds from sale of interests in associates and joint ventures	765,038	-
Net cash from investing activities	738,922	-
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(31,973)	48,195
Net cash (used in)/from financing activities	(31,973)	48,195
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,756,874	(204,274)
<b>Cash and cash equivalents at beginning of period</b>	62,082	266,356
<b>Cash and cash equivalents at end of period</b>	1,818,956	62,082

## **Brit College Limited**

### **Notes to the financial statements Period ended 30 June 2023**

#### **1. General information**

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is Brit College Limited, 602 Commercial Road, London, E14 7HS.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared in accordance with FRS 102 (as applicable to companies subject to the small companies regime), the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

##### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and is subsequently stated at cost less any accumulated depreciation and any accumulated impairment losses.

## Brit College Limited

### Notes to the financial statements (continued) Period ended 30 June 2023

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fittings fixtures and equipment - 20% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

#### Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

#### Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

## Brit College Limited

### Notes to the financial statements (continued) Period ended 30 June 2023

#### Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Turnover

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

#### 5. Other operating income

	Period ended 30/06/23 £	Year ended 31/12/21 £
Rental income	10,000	-

**Brit College Limited**

**Notes to the financial statements (continued)**  
**Period ended 30 June 2023**

**6. Operating profit**

Operating profit is stated after charging/(crediting):

	<b>Period ended</b>	<b>Year ended</b>
	<b>30/06/23</b>	<b>31/12/21</b>
	£	£
Depreciation of tangible assets	25,821	19,942
Fees payable for the audit of the financial statements	10,000	8,000
	<u>          </u>	<u>          </u>

**7. Employee numbers**

The average number of persons employed by the company during the period amounted to 11 (2021: 11).

The company also uses the services of contractors/consultants.

**8. Directors remuneration**

The directors aggregate remuneration in respect of qualifying services was:

	<b>Period ended</b>	<b>Year ended</b>
	<b>30/06/23</b>	<b>31/12/21</b>
	£	£
Remuneration	125,061	77,924
	<u>          </u>	<u>          </u>

**9. Other interest receivable and similar income**

	<b>Period ended</b>	<b>Year ended</b>
	<b>30/06/23</b>	<b>31/12/21</b>
	£	£
Interest on cash and cash equivalents	782	2
	<u>          </u>	<u>          </u>

**10. Exceptional items**

	<b>Period ended</b>	<b>Year ended</b>
	<b>30/06/23</b>	<b>31/12/21</b>
	£	£
Loss on sale of shares held as investments	135,007	-
	<u>          </u>	<u>          </u>

During the year the company sold shares it held as an investment of £900,045 at a loss of £135,007. See note 13.

**Brit College Limited**

**Notes to the financial statements (continued)**  
**Period ended 30 June 2023**

**11. Tax on profit**

**Major components of tax expense**

	<b>Period ended 30/06/23 £</b>	<b>Year ended 31/12/21 £</b>
<b>Current tax:</b>		
UK current tax expense	60,310	10,520
<b>Tax on profit</b>	<b>60,310</b>	<b>10,520</b>

**Reconciliation of tax expense**

The tax assessed on the profit for the period is higher than (2021: higher than) the standard rate of corporation tax in the UK of 20.00% (2021: 19.00%).

	<b>Period ended 30/06/23 £</b>	<b>Year ended 31/12/21 £</b>
Profit before taxation	166,837	35,428
Profit multiplied by rate of tax	33,367	6,731
Effect of expenses not deductible for tax purposes	27,002	-
Effect of capital allowances and depreciation	(59)	3,789
<b>Tax on profit</b>	<b>60,310</b>	<b>10,520</b>

**Brit College Limited**

**Notes to the financial statements (continued)**  
**Period ended 30 June 2023**

**12. Tangible assets**

	Long leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	<b>Total</b> £
<b>Cost</b>				
At 1 January 2022	1,408,334	284,528	22,700	1,715,562
Additions	-	26,116	-	26,116
<b>At 30 June 2023</b>	<u>1,408,334</u>	<u>310,644</u>	<u>22,700</u>	<u>1,741,678</u>
<b>Depreciation</b>				
At 1 January 2022	-	273,962	11,350	285,312
Charge for the year	-	17,309	8,512	25,821
<b>At 30 June 2023</b>	<u>-</u>	<u>291,271</u>	<u>19,862</u>	<u>311,133</u>
<b>Carrying amount</b>				
<b>At 30 June 2023</b>	<u>1,408,334</u>	<u>19,373</u>	<u>2,838</u>	<u>1,430,545</u>
At 31 December 2021	<u>1,408,334</u>	<u>10,566</u>	<u>11,350</u>	<u>1,430,250</u>

**13. Investments**

	Participating interests £	<b>Total</b> £
<b>Cost or valuation</b>		
At 1 January 2022	900,045	900,045
Disposal proceeds	(765,038)	(765,038)
Loss on sale	(135,007)	(135,007)
<b>At 30 June 2023</b>	<u>-</u>	<u>-</u>
<b>Impairment</b>		
<b>At 1 January 2022 and 30 June 2023</b>	<u>-</u>	<u>-</u>
<b>Carrying amount</b>		
<b>At 30 June 2023</b>	<u>-</u>	<u>-</u>
At 31 December 2021	<u>900,045</u>	<u>900,045</u>

See Note 10.

**Brit College Limited**

**Notes to the financial statements (continued)**  
**Period ended 30 June 2023**

**14. Debtors**

	<b>30/06/23</b>	<b>31/12/21</b>
	<b>£</b>	<b>£</b>
Trade debtors	440,111	879,646
Other debtors	330,710	227,254
	<u>770,821</u>	<u>1,106,900</u>

**15. Creditors: amounts falling due within one year**

	<b>30/06/23</b>	<b>31/12/21</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	648,027	680,000
Trade creditors	617,843	120,399
Corporation tax	80,910	119,828
Social security and other taxes	39,873	30,935
Other creditors	12,804	33,777
	<u>1,399,457</u>	<u>984,939</u>

As mentioned in note 23 Charges on assets and loan finance, a loan included in bank loans above amounting to £613,192 is secured by a fixed and floating charge on a property owned by the company.

**16. Creditors: amounts falling due after more than one year**

	<b>30/06/23</b>	<b>31/12/21</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	1,597,072	1,597,072
	<u>1,597,072</u>	<u>1,597,072</u>

**17. Called up share capital  
Issued, called up and fully paid**

	<b>30/06/23</b>		<b>31/12/21</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares shares of £ 1.00 each	269,000	269,000	269,000	269,000
	<u>269,000</u>	<u>269,000</u>	<u>269,000</u>	<u>269,000</u>



**Brit College Limited**

**Notes to the financial statements (continued)**  
**Period ended 30 June 2023**

**18. Operating leases**

**The company as lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>30/06/23</b>	<b>31/12/21</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	44,000	88,000
Later than 1 year and not later than 5 years	-	51,333
	<u>44,000</u>	<u>139,333</u>

**19. Contingent assets and liabilities**

The directors are of the opinion that the mainstream income of the company is exempt from VAT. However HMRC are of the opinion that the company's revenue should be regarded as standard rated supply and subject to VAT. The company has engaged VAT consultants to resolve the VAT status of the company. The outcome of the case is still unclear and unresolved. The company has taken the necessary precautionary measures to ensure that the outcome of the case will not negatively impact the business.

**20. Directors advances, credits and guarantees**

During the period the directors entered into the following advances and credits with the company:

<b>Period ended 30/06/23</b>			
	Balance brought forward	Amounts repaid	Balance o/standing
	<b>£</b>	<b>£</b>	<b>£</b>
Mr Al-Masum Al-Amin	(33,777)	20,973	(12,804)
	<u>(33,777)</u>	<u>20,973</u>	<u>(12,804)</u>
<b>Year ended 31/12/21</b>			
	Balance brought forward	Amounts repaid	Balance o/standing
	<b>£</b>	<b>£</b>	<b>£</b>
Mr Al-Masum Al-Amin	(74,988)	41,211	(33,777)
	<u>(74,988)</u>	<u>41,211</u>	<u>(33,777)</u>

## Brit College Limited

### Notes to the financial statements (continued) Period ended 30 June 2023

During this and the previous year no dividends were paid.

At the balance sheet date the company was owed £7,950 (2021: £81,950) by a non-profit making organisation in which one of the directors was a key management person.

During this year director Mr Al-Amin was repaid £20,973 by the company leaving £12,804 payable to him at balance sheet date.

#### 21. Pension commitments

The company operates the required workplace pension scheme. Payable to the scheme as at 30 June 2023 was £2,015 (2021 £489).

#### 22. Head of provider remuneration and senior staff pay

The head of provider received a gross salary amounting to £34,000 per year during the period (2021 - £31,000). He was a member of the statutory workplace pension scheme at minimum contribution level. No benefits were provided to him. The directors do not consider the salary of the head of provider to be excessive. The pay multiple, both at basic salary and total remuneration level, between the head of provider's salary and the average salaries of the other employees is 1.5 :1 (2021 - 1.5:1). During this year and the previous year no employee or director received gross salary over £100,000.

#### 23. Details of grant and fee income

All the fee income earned during this year falls in the category of fee income for taught awards.

#### 24. Charges on assets and loan finance

On 28 May 2021 Cynergy Bank Ltd provided loan finance amounting to £630,000, repayments calculated over 19 years, to be renewed after 5 years. Amount payable as at 30 June 2023 was £613,192. Cynergy Bank Ltd placed a legal charge on the property owned by Brit College Ltd at Unit 5, 11 St Ann's Row, London E14 7RD.

A landlord has also registered a charge amounting to £15,625.

#### 25. Access and participation expenditure

The college's fee category does not require an access and participation plan. An access and participation statement is available.