



# **London College of Business Studies**

**Company Limited by Guarantee  
Annual Report and Financial Statements**

**For The Year Ended 31 July 2020**

# **LONDON COLLEGE OF BUSINESS STUDIES**

## **ANNUAL REPORT AND FINANCIAL STATEMENT CONTENTS**

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**LONDON COLLEGE OF BUSINESS STUDIES  
COMPANY INFORMATION  
FOR THE YEAR ENDED 31 JULY 2020**

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<b>Trustees</b>	Mr Mansoor Ahmad Saad Mr Ahmad Ayyaz Shakir Mr Ahmad Sarfaraz Yasir
<b>Company Number</b>	05889034 (England and Wales)
<b>Registered Charity Number</b>	1117883
<b>Registered Office</b>	277 Cranbrook Road Ilford IG1 4TG United Kingdom
<b>Solicitors</b>	Stone King Solicitors 16 St John's Lane London EC1M 4BS

**LONDON COLLEGE OF BUSINESS STUDIES**  
**(COMPANY NUMBER: 05889034 ENGLAND & WALES)**  
**CHARITY NUMBER 1117883**  
**TRUSTEES' REPORT**

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The Trustees present their report together with the financial statements of the charity for the period ended 31 July 2020.

The Board of Trustees is satisfied with the performance of the charity during the year and the position at 31 July 2020 and considers the charity in a reasonable position to continue its activities during the coming year and that the charity assets are adequate to fulfil its obligations.

**Trustees**

The following Trustees held office during the whole of the period:

1. Mr Mansoor Ahmad Saad
2. Mr Ahmad Ayyaz Shakir
3. Mr Ahmad Sarfaraz Yasir

**Nature of governing document and constitution of the charity**

Memorandum and Articles of Association Incorporated on 27 July 2006 as amended by special resolution dated September 2006 and January 2007.

**Objectives and Activities of the Charity**

***Objects of the charity as set out in its governing document.***

The Objects of the Charity are to advance education by provision of courses to home and international students.

***The charity's main objectives for the year;***

- |   |                                                              |
|---|--------------------------------------------------------------|
| 1 | Delivering Higher Education at Higher National Diploma Level |
| 2 | Technical and Vocational Education                           |
| 3 | Adult and Other education and training                       |
| 4 | Consultancy to Higher Education Sector                       |

## **Review of charitable activities 2019-20**

Like all other organisations in the UK, the College was also confronted with the challenge of COVID19 at the tail end of the year ending 31 July 2020. Operationally, the final term from April to July was affected the most, however, thanks to modern technology and the learner portal and online facilities that the College provides, it was able to overcome the challenges presented by the pandemic. The classes were delivered online without compromise to any quality and standards fundamentals, enabling the College to uphold quality assurance in its programmes. The ability to offer its training and education online does not handicap the College in performing its trading activities and for this reason it was not affected financially by the pandemic.

Following on from its rigorous approaches to quality and standards in the provision of education and training in the preceding year, the College continued to sturdily maintain these through the various processes and functions that it has developed over time with a strong commitment to continuous improvement. For its Higher National in Business programme, the College continued to give importance to the adherence of regulatory requirements set by the statutory stakeholders, while improvising on implementing improved and learner friendly ways of enhancing overall learner experience. This of course was with the view to operate as per our learner focused approach to the delivery of higher education and training. Qualified and competent teaching and administrative staff members continued as a part of the team in order to allow the College to fulfil its objectives and establish a concrete base for goal congruence. College's Committee Structure and its functions were systematically reviewed to ensure a fit for purpose and value adding mechanism was in place to deliver desired objects.

College's quality and standards were positively conformed through external quality assurance processes such as the Awarding Body, Pearson, Quality Assurance Agency and Matrix. The College was able to secure Matrix Accreditation in early 2020 and was able to perform very well in its QAA, Quality and Standards Review. The College also underwent two reviews by the external examiner assigned by the awarding body, Pearson, and achieved successful outcome through these. Outcomes from these reviews resulted into the College deemed as fit to claim the Higher National Diploma qualifications for its learners. The academic performance of the learners was also commendable as majority of the learners, at the stage of programme completion, were able to achieve the qualification, showing successful outcomes for College's objectives for learners. This, once again, reflects the value for money that the College is creating for its learners.

College's application for registration with the Office for Students (OfS) remains pending and the further delay in the application being dealt with was mainly to do with COVID19, where the department was short of resources to deal with applications and was focusing on providing support to the providers already registered. The delay in the College application has undoubtedly caused an effect on College's plans related to Higher National programmes. Due to the College not being able to finalise its registration with OfS as per initial expected time scale, it was not able to recruit any new learners on these programmes for the planned intakes in September 2019, Jan 2020, April 2020 or July 2020. The College already had permission from Pearson to recruit learners for this Academic Year and it was on course to a review in the number of learners it can take in order to increase the cap, however, it could not be done. Once again, external factors that are out of College's control, contributed to the alteration in College's operational plans and financial outlook. However, the College strongly believes in the implementation of a multi-income generating business model in order to be prepared to tackle with any contingencies that may materialise as a result of unexpected or unforeseen events or circumstances. That is why it has also continued to focus on the other business activities, such as short training courses and professional development and training programmes, simultaneously to the designated programmes. The volume of work that the College is able to undertake through these other sources of income is controllable to College's own business planning and can be increased or decreased dependant on the need as it arises. Therefore, as College's registration application had been delayed and recruitment on the designated programmes could not be conducted as per the original plans, the College decided to divert its resources at its dispersal to the other business activities as stated above. This was to compensate for the lower earnings through designated courses and make up for the income in order to sustain financially. As a result of the above, the College was able to also secure registration with CISCO and Palo Alto for its networking courses. This, goes without saying, demonstrates College's ability to sustain without over reliance on other bodies, as it has done so over the years. College's activities related to 2019-20 have also involved the strengthening of its operational and strategic effectiveness and control in order to effectively, efficiently and economically fulfil its purpose and objectives. This, together with, prudent financial measures, the College has mitigated risks in order to continue to sustain and maintain despite difficult external circumstances.

The College will continue to use all endeavours in order to ensure the delivery of good quality services and benefits to the community and the establishment of growth and prosperity. With the recent developments and progress of the Charity, we are optimistic about steady growth and success as an organisation and hope to achieve a lot more in the near future.

### **Public Benefit**

The Trustees have considered the Charity Commission's guidance on public benefit when reviewing the aim and objectives and in planning future activities. The Trustees are mindful that they need to consider and explain how the charity fulfils its charitable object and confers appreciable public benefit. They consider that effectively all the operations of the charity tend towards that end, for example;

- London College of Business Studies is a UK online centre and therefore anyone who wishes to use the College's computer facilities can do so, free of charge.
- Educating and training the public is beneficial to improving the society, especially learners from non-traditional routes and disadvantaged backgrounds
- London College of Business Studies offers scholarships and discounts to students who are financially unable to pay their fee, but are exceptionally good students.

### **Revenue Generation**

The charity has received all the income as fee from education and training provided.

### **Decision Making**

Decisions and strategic direction are formulated by the Trustees. These decisions are then executed by the Senior Management Team.

### **Risk**

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that the systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks. A Risk Profiling Document is maintained in order to determine, evaluate and manage all risks associated to the organisation.

To mitigate against any financial misappropriation, Trustees and accounting staff regularly monitor and supervise the financial affairs of the charity.

### **Financial Review**

The college has produced 12 months account. The income attributable for the period ended 31st July 2020 is £493,492 which is £71,383 more than the preceding year. The College has once again seen a successive financial gain in this year after being in surplus in the previous financial period. This is another positive sign as despite the College not being able to operate at its full potential and capacity, it was able to sustain financially with the view of moving forward with no compromise of the quality of the operations. Due to the College not relying on loans or other borrowings to fund its operations, it is able to maintain a good current ratio and liquidity.

### **Reserve Policy**

The Trustees consider holding reserves amounting to approximately at least three months' average expenditure. The free reserve ensures the charity does not need to obtain overdraft facilities during the year. Additionally, in line with its plans for growth, development and enhancement of learning, the College may also plan systematic holding of additional reserves in order to reinvest these for the said objectives.

## **Transactions and Financial Position**

The financial statements are set out on pages 8 to 13. The financial statements have been prepared implementing the 2014 Revision of the Statements of Recommended Practice (SORP) for Accounting and Reporting by charities issued by the Charity Commission for England and Wales (effective January 2015) and in accordance with the Financial Reporting Standard for the Smaller Entities (effective April 2008). As stated in the introduction of this report, the Trustees consider the financial performance by the Charity during the year to have been satisfactory.

## **Specific changes in Fixed Assets**

Changes in fixed assets are shown in detail in the notes to the accounts.

## **Share Capital**

The company is limited by guarantee and therefore has no share capital.

## **Recruitment of Trustees**

London College of Business Studies adheres to maintain a good strategy to recruit its trustees. Trustees have the responsibilities to seek and induct the applicants in order to find the best and suitable candidate who will be an asset to the charity in its establishment and growth.

## **Accounting Policies**

The accounting policies adopted by the charity are detailed in Note 1 to the financial statements. There have been no changes to the accounting policies during the period.

## **Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under that law, the Trustees have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees 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 accounts 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.

## **Small company provisions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the Board of Trustees



.....  
Mr Mansoor Ahmad Saad

Trustee

Approved by the board on:

12 April 2021

## **Independent examiner's report on the accounts**

**Report to the Trustees of:** London College of Business Studies

**On Accounts for the year ended:** 31 July 2020

**Charity No:** 1117883

**Set out on pages:** 8 to 12

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/07/2020.

### **Responsibilities and basis of report**

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

The charity's gross income exceeded £250,000 and the firm is qualified to undertake the examination by being a qualified member of Institute of Financial Accountants (IFA).

I have completed my examination. In addition to the accounts, I have also reviewed the Trustees' report. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Signature

**Name:** Muhammad Masood, ACCA

**Date** 12<sup>th</sup> April 2021

AHEA Accountants and Business Advisors  
45 Chester Road  
London  
E7 8QT



**LONDON COLLEGE OF BUSINESS STUDIES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2020**

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	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Income</b>	493,492	422,109
Cost of Generating Income	(31,660)	(24,465)
	<hr/>	<hr/>
<b>Gross Income</b>	461,832	397,644
Resources Expended	(450,785)	(392,945)
	<hr/>	<hr/>
<b>Operating Income</b>	11,047	4,699
	<hr/>	<hr/>
<b>Income from ordinary activities before taxation</b>	11,047	4,699
Tax on income from ordinary activities	-	-
	<hr/>	<hr/>
<b>Net incoming resources/ (deficit)</b>	11,047	4,699
	<hr/> <hr/>	<hr/> <hr/>

**LONDON COLLEGE OF BUSINESS STUDIES**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD FROM 01/08/2019 TO 31/07/2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Cash generated from operations</b>		
Operating Surplus/ (deficit)	11,047	4,699
Reconciliation to cash generated from operations:		
Depreciation	26,661	35,548
Amortisation of goodwill	-	-
(Increase)/decrease in debtors	72,833	(100,885)
Increase/ (Decrease) in creditors	4,252	(15,162)
	<u>114,793</u>	<u>(75,800)</u>
<b>Cash from other sources</b>		
Proceeds from sale of tangible fixed assets	-	-
	<u>-</u>	<u>-</u>
<b>Application of cash</b>		
Purchase of tangible/ intangible fixed assets	-	(63,000)
	<u>-</u>	<u>-</u>
<b>Financing Activities</b>		
Proceeds from non-current loan	100,000	
	<u>100,000</u>	
<b>Net increase / (decrease) in cash</b>	214,793	(138,800)
Cash at bank and in hand less overdrafts at 01 August	114,196	252,996
<b>Cash at bank and in hand less overdrafts at 31 July</b>	<u>328,989</u>	<u>114,196</u>
Consisting of:		
Cash at bank and in hand	<u>328,989</u>	<u>114,196</u>

**LONDON COLLEGE OF BUSINESS STUDIES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JULY 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	79,983	106,644
<b>Current assets</b>			
Debtors	5	101,502	174,335
Cash at bank and in hand		328,989	114,196
		<u>510,474</u>	<u>288,531</u>
<b>Creditors: amounts falling due within one year</b>	6	(7,442)	(3,190)
<b>Net current assets</b>		<u>503,032</u>	<u>285,341</u>
<b>Net assets</b>		<u>503,032</u>	<u>391,985</u>
<b>Long term Liabilities, Capital and reserves</b>			
Long term liabilities	7	100,000	-
Unrestricted Funds		<u>403,032</u>	<u>391,985</u>
<b>Total funds</b>		<u><u>503,032</u></u>	<u><u>391,985</u></u>

For the year ending 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities.

Approved by the Board on 13 November 2020.



Mr Mansoor Ahmad Saad  
 Director/ Trustee

**LONDON COLLEGE OF BUSINESS STUDIES**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**1. Statutory information**

London College of Business Studies is a private company, limited by guarantee (registration number 05889034), registered charity (1117883) in England and Wales. The registered office is 277 Cranbrook Road, Ilford, IG1 4TG, United Kingdom.

**2. Compliance with accounting standards**

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

**3. Accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

***Basis of preparation***

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

***Presentation currency***

The accounts are presented in £ sterling.

***Tangible fixed assets and depreciation***

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Plant & machinery	25 %
Fixtures & fittings	25%
Computer equipment	25%
Other tangible fixed assets	25%

**4. Tangible fixed assets**

	<b>Fixtures &amp; fittings</b>
	<b>£</b>
<b>Cost or valuation</b>	At cost
At 1 August 2019	168,590
Additions	-
At 31 July 2020	<u>168,590</u>
<b>Depreciation</b>	
At 1 August 2019	61,946
Charge for the year	26,661
At 31 July 2020	<u>88,607</u>
<b>Net book value</b>	
At 31 July 2020	<u>79,983</u>
At 31 July 2019	<u>106,644</u>

**5. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	<u>101,502</u>	<u>174,335</u>

**LONDON COLLEGE OF BUSINESS STUDIES**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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

**2020**

**2019**

**£**

**£**

Trade creditors

7,442

3,190

**7. Creditors: amounts falling due after one year**

**2020**

**2019**

**£**

**£**

Bank Loan

100,000

-

**8. Average number of employees**

During the year the average number of employees was 13 (2019: 12).

**LONDON COLLEGE OF BUSINESS STUDIES**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Fees	493,492	422,109
<b>Cost of sales</b>		
Commissions payable	31,660	24,465
<b>Gross Income</b>	<u>461,832</u>	<u>397,644</u>
<b>Administrative expenses</b>		
Wages and salaries	143,545	130,347
Staff training and welfare	8,560	6,952
Travel and subsistence	700	1,265
Entertaining	5,930	2,290
Rent	109,297	66,521
Rates	1,917	1,064
Light and heat	5,044	3,256
Cleaning	15,522	11,760
Telephone and fax	2,435	4,483
Stationery and printing	16,140	12,590
Information and publications	15,487	15,550
Subscriptions	14,827	29,892
Bank charges	-	-
Software	12,937	13,212
Repairs and maintenance	4,614	5,526
Depreciation	26,661	35,548
Sundry expenses	300	388
Accountancy fees	11,050	10,130
Consultancy fees	11,590	8,230
Advertising and PR	17,365	15,900
Other legal, professional and insurance charges	26,864	18,041
	<u>450,785</u>	<u>392,945</u>
<b>Operating Income</b>	<u>11,047</u>	<u>4,699</u>
<b>Net surplus on ordinary activities before taxation</b>	<u><u>11,047</u></u>	<u><u>4,699</u></u>