

**Company registration number: 04640769**

**London School of Science & Technology Limited  
Trading as London School of Science & Technology Ltd**

**Financial statements**

**31 March 2023**

## **London School of Science & Technology Limited**

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## **London School of Science & Technology Limited**

### **Directors and other information**

<b>Directors</b>	Mr Syed Baqar Abbas Zaidi Mr James Kirkbride Dr George Panagiotou Ms Benish Fatima Zaidi Dr Abdul Matin Khan Mr Ali Jafar Zaidi Mr Naseer Ahmed	(Resigned 4 June 2023)
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<b>Company number</b>	04640769
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<b>Registered office</b>	Memo House 1st Floor, Kendal Avenue London W3 0XA
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<b>Business address</b>	Memo House 1st Floor, Kendal Avenue London W3 0XA
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<b>Auditor</b>	K K Associates 305 Crown House North Circular Road Park Royal London NW10 7PN
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## **London School of Science & Technology Limited**

### **Strategic report Year ended 31 March 2023**

The directors present the Strategic report of London School of Science & Technology Ltd ("LSST" or "the School") for the year ended 31 March 2023.

#### **Results and dividends**

The trading results for the year ended 31 March 2023, and the School's financial position at the end of the year, are shown in the attached financial statements.

Dividends amounting to £650,000 have been paid during the year.

#### **Principal activity of the Business**

London School of Science & Technology Ltd is one of the largest and leading providers of higher education, specialising in the delivery of business, health and social science courses. LSST acts as a college of the universities. LSST has no other business except teaching university students. It follows all the university policies and procedures (about admission, enrolment, teaching materials, examinations, and assessments). Universities award the degree to all the students who pass the examinations, and later organise the degree ceremony at their campuses.

The School operates from four campuses in the UK; London/Wembley, London/Elephant and Castle, Luton, and Birmingham/Aston. In addition, the School has a head office situated in London's Park Royal/Acton where all key business functions are based, including senior management, finance, legal services, human resources, exams and assessments, registry, and quality assurance.

The School seeks to develop rounded graduates who have the skills, integrity, and commitment to make a positive impact on the communities in which they live and work. Courses must therefore anticipate, and be responsive, to the changing societies in which our graduates will work and live.

#### **Vision**

To support individuals of all backgrounds, abilities and aspirations in order to fulfil their potential through learning, achievement and progression. To be a modern school of quality.

#### **Mission**

To be recognised as a leading provider of further and higher education that is inclusive, inspiring and free from barriers to learning, leading to rewarding careers.

#### **Objectives**

To develop, extend further and deliver academic and professional qualifications at all levels of the national curriculum framework according to local demand.

To acquire and maintain resources in line with growing student numbers and enhance institutional capabilities in order to support students in their endeavours to successfully complete their studies.

To adopt best practices in leadership, governance, management and administration in order to ensure a healthy and safe environment for all stakeholders, enhance the educational journey of learners and promote student engagement.

To maintain institutional sustainability in order to ensure continuing operations and safeguard the well-being of all stakeholders.



## London School of Science & Technology Limited

### Strategic report Year ended 31 March 2023

#### Values

- Transparency
- Accountability
- Integrity
- Professionalism
- Excellence

#### Support from universities to its students

Universities offer its enrolment services, I.D cards, access to library facility, access to complete online system (i.e. university intranet portal, course information, course materials, online submission of assignments, and online results facility to view and download).

In brief, universities reserve full rights to manage their students (e.g. enrol a student, remove a student, to award pass/fail grades, listen to complaints etc)

#### Key developments

LSST's performance has further improved and this is evidenced by very good NSS reports which are even better than its university partners. Some of the key factors that led to these improvements are listed below.

#### Enhancement of campuses

Significant further campus facility enhancements have been completed both in services and resources available to students e.g. IT equipment, cafeteria, security.

#### Academic Support Centre

Increased reach out, post pandemic and support of students at academic risk.

#### Student Academic Progress Review (SAPR)

To standardise the management of students' academic progression and continuation and to ensure that there is parity of student academic experience across all the company academic provision and with all universities.

#### Personal Academic Tutor

Academic guidance

Reviewing student performance via SAPR.

Academic support

## **London School of Science & Technology Limited**

### **Strategic report Year ended 31 March 2023**

#### **Sustainability and Growth Outlook**

LSST has finalised a Masters Program with a university. The Program is starting from September 2023. This will provide a good opportunity for students graduating from LSST to continue further studies at LSST.

LSST is operating at the standards of its universities and in some respects is performing better than expected. LSST's teaching standards and service to students have significantly been enhanced. This has made LSST more attractive to students as compared with other institutions.

LSST's robust financial strength meant that there was no need at all to raise finance. The financial strength of LSST is evident in its profitable track record and its strong and sound Balance Sheet. LSST has also developed systems to monitor financial health and to intervene if there are any issues.

As of now LSST does not have any long term or short-term borrowings and does not expect any need for borrowings in the future.

LSST has decided to open a sizeable new campus in London to meet student demand. A building is already being enhanced, which will become another LSST campus.

#### **Business review**

LSST has achieved OfS registration. This is going to lead to further growth of LSST's business activities.

The student numbers and revenues of London School of Science & Technology Ltd have increased in 2022/23 when compared with the previous year, and are expected to increase further in 2023/24.

LSST is a dynamic and proactive higher education provider where the directors and senior managers work diligently and collectively to ensure the organisation is able to meet present and future challenges. The directors of LSST are confident that the organisation will continue to meet and exceed regulatory, university and student expectations.

#### **Value for Money**

Value for money for students is provided by delivering high quality teaching and culturing an environment which inspires individuals to succeed. By protecting and enhancing our reputation we ensure that the value of an education continues to put our graduates in good stead.

LSST aims to be of value to society and to inspire and encourage our students and alumni to contribute positively to help shape a more sustainable and well-rounded society.

LSST provides value for money for students and taxpayers by ensuring that the School finances are managed and governed efficiently and effectively.

#### **Principal risks and uncertainties**

There are no significant risks and uncertainties. LSST has consistently achieved its student recruitment targets. Its robust Balance Sheet shows that there is no liquidity risk. There is no bad debt and credit risk also because the student fees is paid by the universities who receive funds from Student Loans Company.

LSST Board of directors regularly reviews any possible risks to the business of LSST. This is discussed in Board meetings and action is taken, if necessary, to ensure that that any possible risk remains at a low level.



## **London School of Science & Technology Limited**

### **Strategic report Year ended 31 March 2023**

Student progression, retention, and attendance continues to be at a high level.

The School continues to grow its student numbers in a controlled and sustainable manner, carefully balancing income generation targets against estate capacity and the need to protect the quality of the student experience. The system of internal control, including financial, operational and risk management which is designed to protect the School's assets and reputation, continues to be developed.

Based on the strategic intent, the Executive Committee members undertakes a comprehensive review of the risks to which the School is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the School. The internal controls are then implemented, and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions.

The significant financial risks are reviewed by the Audit Committee at least twice a year at their meetings. Financial risks have been tested through external audit protocols; recently these have assured the Board of Governors of the School's financial health and the sufficiency of its reserves.

The operating environment is one of rapid change which is reflected in the nature of the principal risk factors that may affect the School. This environment requires the Board of Governors, management and staff to be informed of the changes, aware of the opportunities and able to adapt.

Risk register is a tool that aims to help directors and managers evaluate and monitor risks to inform decision-making. Risk register provides oversight of key risks, and an awareness of the risk environment can help to meet strategic objectives effectively. Risk management establishes processes that support the meeting of objectives whilst protecting the School's staff, students, financial sustainability, and reputation.

LSST has refined and developed the latest iteration of its Risk Register template to give a clearer distinction between inherent and controlled risk to better consider strategic priorities.

Risks to the continuity and quality of students' learning experiences at LSST are captured within the School's Student Protection Plan, which sets out contingency plans should LSST be unable deliver learning its opportunities in full and/or as agreed at the point of sale.

#### **Future Developments**

LSST has been systematically expanding its Higher Education provision, in line with its mission statement and organisational objectives for more than 20 years and has constantly been acquiring learning resources according to student growth numbers.

Currently, all students are studying on a full-time basis. However, if/when market trends indicate that there is a demand to introduce part-time and flexible (distance learning) modes of study in the context of LSST's recruitment the college will support such a trend, assuming support and approval by its universities.

In order to advance LSST's mission and vision and operationalise objectives, the strategy serves to achieve the following six objectives:

- 1) Increase overall enrolment numbers and participation on individual courses offered by LSST
- 2) Further LSST's commitment to widening participation and promote fair student access and inclusivity.
- 3) Enhance LSST's profile by creating a unique and attractive brand, through extensive PR and targeted promotional campaigns.
- 4) Reinforce the important role LSST plays within the community, by engaging in collaborative and outreach activities, and form new strategic partnerships.



## London School of Science & Technology Limited

### Strategic report Year ended 31 March 2023

- 5) Maximize overall student satisfaction and retention.
- 6) Implement all decisions and marketing activities based on extensive market research and analysis.

#### KPI - Quality, Academic and Finance

Throughout the year, the Board of Governors has received a range of reports which have included key performance indicators relevant to its HE provision. This includes a range of externally benchmarked metrics such as student retention, satisfaction, achievement and progression rates to employment, as well financial lead indicators such as applications, offers and enrolments.

#### Accountability for Institutional Quality and Standards

LSST delivers learning opportunities leading to awards conferred by its university partners; under these arrangements, awarding institutions and LSST are jointly responsible for the delivery and management of high quality of learning opportunities and the maintenance of academic standards in parity with national sector benchmarks.

LSST's responsibilities for quality management are substantial, regardless of any award validating arrangements maintained. The School exercises direct control over the management of students' day-to-day learning experiences, maintenance of academic standards and assurance and enhancement of learning opportunities. LSST's distinctiveness from its awarding bodies, and its general autonomy in learning delivery necessitates that the School is directly accountable to both students and to statutory and regulatory bodies for the quality of learning opportunities delivered on behalf of its award-validating partners.

#### Responsibility for Quality Assurance

The quality assurance processes are designed to recognise the shared responsibility for the setting and maintenance of the academic standards of the School's academic provision, they recognise the broad involvement of academic staff, students, and other stakeholders, working in partnership through membership of committees, groups, and panels.

Responsibility for quality and standards is shared by all those who support students' learning. It is exercised through the roles of individuals (such as the Course Leaders, Deans, Heads of Services and Departments and the Principal) and through the deliberations of committees and working groups; in other words, through the School's Executive and governance arrangements.

Student and administrative services play an essential role in the assurance of quality, as the work of administrative colleagues bears directly on the student experience and their ability to succeed; for example, in providing and maintaining learning environments and support services, handling enquiries and complaints, and processing assessments. The joint involvement of academics and administrators in deliberations about quality management and improvement is therefore vital.

The responsibility for quality and standards extends to students themselves and LSST seeks to engage students, both individually and collectively, in the development and enhancement of learning opportunities. Students in representative roles have a formal responsibility to promote the interests of their student colleagues within the School's governance arrangements; the School ensures that suitable training and guidance is provided to students to aid them in fulfilling this brief.



## London School of Science & Technology Limited

### Strategic report Year ended 31 March 2023

#### Finance

As stated in the Statement of Comprehensive Income in the financial statements, the turnover and operating profit achieved, which were higher than expected, are as below.

	31 March 2023	31 March 2022
	£'000	£'000
Turnover	58,790	50,907
Operating profit	21,397	16,010
Operating profit margin	36%	31%

LSST marketing and admissions department work to achieve targets which have been set by universities and LSST Board of Governors. The actual results in recent years have been higher than the targets set.

#### **Corporate Governance**

London School of Science & Technology (LSST) is fully controlled by its Board of Governors (BoG) which is its ultimate authority and decision making body.

Under the outstanding leadership of the Board of Governors, LSST pursued its strategic aims. The Board of Governors continues to oversee the School's considerable progress in delivery of its strategy. The board prioritised student and staff wellbeing, and the provision of high-quality higher education programmes, whilst ensuring the School's financial sustainability.

The School does not hold its own Degree Awarding Powers and its taught programmes are validated under agreement with universities. The university requirements commit the School to embrace governance concepts that align with those of a publicly funded higher education provider to demonstrate the necessary transparency and probity for institutions which receive income from student loans. As such, the School operates its governance arrangements with due regard for the Public Interest Governance Principles set out within the University Regulatory Framework.

Our governance has to be flexible and adaptable to assure rigorous decision making with appropriate transparency and accountability.

Our committees work hard to respond nimbly to any uncertainty or changes taking into account the School's short, medium, and long-term financial situation and risk management. Throughout this period, the School demonstrated its financial resilience in, adopting a robust approach to scenario planning, and prudent operational management. The committees are:

- Advisory Board
- Academic Board
- Finance Board
- Audit Committee
- Executive Committee



## London School of Science & Technology Limited

### Strategic report Year ended 31 March 2023

#### •Remuneration Committee

Their work enables the Board of Governors to make informed decisions.

The School is committed to exemplifying best practice in all aspects of corporate governance. The School acknowledges its statutory duty to conduct its affairs in a responsible and transparent way, and to take into account the requirements of the universities.

LSST is also committed to the principles of academic freedom and equality of opportunity in its approach to governance.

The School has a responsibility to ensure that slavery and human trafficking are not taking place in our business or in our supply chains. Our Modern Slavery and Human Trafficking Statement can be accessed on our website at: <https://www.lsst.ac/about/modern-slavery-statement>

The CEO has a general responsibility for maintaining and promoting the efficiency and good order of the School.

The Board of Governors is the governing body of the School, responsible for setting the general strategic direction of the institution, for ensuring proper accountability, and for the strategic oversight of its finances, property and investments and the general business of the School.

The Board of Governors ensure that it has adequate independent membership, together with student and staff representatives who are only appointed after demonstration that they satisfy the definition of 'fit and proper persons' as articulated by universities.

The Board of Governors has a number of committees, which undertake a lot of the detailed scrutiny on behalf of the Board and their decisions are reported back to the Board and, where relevant, other committees. All committees are formally constituted with written terms of reference.

#### Internal Control

There are two principal bodies of governance at LSST; its governing body (the Board of Governors) which has primacy in all matters of institutional strategy and core policy, and a devolved body for the independent oversight of academic standards and quality (the Academic Board). Authority for committing necessary resources and coordinating actions to carry out strategic plans and directives from the Board of Governors is delegated in practice to an Executive Committee, comprising the School's senior management and departmental heads.

The School's instruments of governance and terms of reference are set out within comprehensive guidance document: Governance and the London School of Science & Technology, which is published prominently on the School's public website.

As the governing body of London School of Science and Technology, the Board of Governors has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding public and other funds and assets for which the School is responsible in accordance with the responsibilities assigned to the governing body in the School's Governance Handbook.

The system of internal control is designed to manage and eliminate (where possible) the risk of failure to achieve policies, aims and objectives.

The School has reviewed and updated its risk management procedures, which continue to enable it to be fully compliant with universities and other regulators. The School keeps its Risk Register under review in order to



## **London School of Science & Technology Limited**

### **Strategic report Year ended 31 March 2023**

better recognise and manage the risks it faces in the delivery of its strategic aims. It has been designed to cover all risks including governance, management, quality, reputational and financial, whilst focusing on the most important risks. The Risk Register provides an appraisal of the current and projected position for each risk, including a likelihood/impact matrix.

The School has a Remuneration and Audit Committee which is managed by an Independent Financial Consultant. The Board of Governors receives regular reports from Academic Board, Financial Board, Executive Committee, and other committees, which it reviews and updates its instructions relating to the School's internal control systems and audit checks.

The School strives to apply value for money considerations to all its processes and activities and this is supported by strong awareness and vigilance across the executive. The Board of Governors and the Audit Committee and Finance Board have adequate and effective arrangements in place to ensure value for money in accordance with university requirements.

#### **Staff development done by LSST for all staff**

LSST invests heavily in developing knowledge and skills to maintain our position as a leading learning organisation. LSST has a strong commitment to providing training and development. This includes thorough induction into the organisation and regular reviews of staff training and development needs.

One of the School's strategic objectives is: To adopt best practices in leadership, governance, management and administration in order to ensure a healthy and safe environment for all stakeholders, enhance the educational journey of learners and promote student engagement.

It is recognised that the success of the School depends on all staff - whatever their role - having the relevant skills, knowledge and competencies.

The School recognises that its staff are fundamental to its success. A strategic, professional approach to staff development helps LSST to attract and retain high-calibre staff with the skills and competencies necessary to deliver its objectives.

Staff development refers to all the policies, practices, and procedures used to develop the knowledge, skills, and competencies of staff to improve the effectiveness and efficiency both of the individual and the School.

The School actively encourages staff to avail themselves of the learning opportunities and resources that may be available to them under this policy and give timely reminders of any mandatory training and development activities in which staff are required to participate.

LSST ensures that the range of skills, competencies and expertise present within the School's workforce is continually enhanced and diversified through the provision of learning and development opportunities to all of its staff; it additionally seeks to ensure that the School's standards and practices are widely understood amongst its staff.

There is a two day staff development event every September for new and continuing staff members. There are also staff development sessions organised for staff during the academic year.

All new staff will receive a comprehensive induction to the School, delivered jointly by line managers and members of the HR Department on the new starter's first day of employment.

Following induction of new staff, the School will continue to provide a variety of learning and development opportunities.

LSST maintains a subscription to Advance HE in order to support the continuous development of its academic



## London School of Science & Technology Limited

### Strategic report Year ended 31 March 2023

staff members, who are able to gain recognition against the UK Professional Standards Framework at D1 (Associated Fellow), D2 (Fellow), D3 (Senior Fellow), and more experienced staff, to gain recognition at D4 (Principal Fellow). The School will make a contribution towards the cost of this of not less than half of the associated fees.

#### **Staff benefits**

LSST offers a range of wellbeing and work-life balance benefits to recognise and reward the essential contribution our colleagues make to our success and growth.

Some of our core benefits include:

#### Flexible working

LSST as a higher education provider is committed to being as flexible as possible in helping staff members to manage their wellbeing and work-life balance.

#### Staff Leave

LSST offers generous annual leave entitlement, which is linked to the length of service, in addition to all bank and other public holidays.

#### Staff health and welfare

All staff members can benefit from LSST's partnership with Vitality UK and are eligible for an annual Vitality Health check, online doctor appointments, life and health insurance and many other discounted offers.

#### **Section 172 (1) Statement**

In line with their duties under section 172 of the Companies Act 2006, the directors act in a way they consider would be most likely to promote the success of the School. The directors have regard, amongst other matters, to the:

- Likely consequences of any decisions in the long-term;
- Interests of the company's employees;
- Need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- Desirability of the company maintaining a reputation for high standards of business conduct; and
- Need to act fairly as between members of the company.

The directors have regard to the factors set out above in discharging the section 172 duties in addition to other factors they consider relevant to the decision being made. The directors, by considering the School's purpose, vision and values together with its strategic priorities and having a process in-place for decision-making, aim to make sure that their decisions are consistent and predictable.

#### Strategic Reviews

The School's strategy is to deliver world-class experiences and outcomes for students and employers, accelerate organic growth of the School and improve the School's operating efficiency and effectiveness in order to maximise value. The directors include both executive management and non-executive members. The directors are responsible for establishing and monitoring the implementation of the School's strategy, oversight of performance and risk management and setting a strong cultural foundation built around ethical values. Regular meetings are held between senior executives and directors where performance, key developments and future strategy are discussed. This approach allows the School to be more efficient and effective in

## London School of Science & Technology Limited

### Strategic report Year ended 31 March 2023

responding to local economic, political, regulatory and other market changes that impact the School.

#### Financial and operational performance

The directors review matters relating to a variety of areas, including financial and operational performance, business strategy, key risks, governance, compliance, and legal and regulatory matters. They hold regular meetings and dialogue with senior management and consider all reports and other supporting information.

#### Stakeholder Engagement

The School's key stakeholders include its investors, customers, employees and regulators, the communities in which the School operates and the partners and suppliers that the School works with. The directors meet regularly at board meetings and discuss the School's performance and outlook, key developments, controls, student data and surveys and regulatory matters. The directors are aware that the School's success is impacted by its conduct with key stakeholders. For example, the directors and management teams regularly engage with employees and ascertain how involved and satisfied employees feel in their position, and action is taken to make improvements. In some instances, the directors engage directly with stakeholder groups while in other cases they communicate at an operational level.

The School promotes a culture of collaboration and inclusion. It is culturally diverse and recognizes the importance of engaging employees in such a positive way that they make their full contribution to the School and take advantage of development opportunities for them.

#### Customer and Supplier Relationships

Customer satisfaction is one of the School's key strategic goals. Feedback from students and universities is reviewed very carefully and taken into account in all decisions. The School engages with its students and universities in a variety of ways including through student groups and student surveys, and in regular meetings with universities. Some employees are dedicated to analysing customer experience and wellbeing.

The School also recognises the importance of good relationships with its suppliers in order to maximise efficiency, meet strategic priorities, and optimize costs. The School engages with suppliers on a regular basis through multiple communication channels to ensure that suppliers are providing the goods and services as anticipated by the School, and obtains feedback from suppliers in order to further improve the relationships.

#### Environmental

The School also recognises its responsibility to reduce its environmental impact. The School analyses its energy performance to understand usage trends, identify opportunities for reduction and recognise the impacts of its energy saving efforts.

This report was approved by the board of directors on 25 September 2023 and signed on behalf of the board by:



Mr Ali Jafar Zaidi

Director



Mr Syed Baqar Abbas Zaidi

Director



## London School of Science & Technology Limited

### Directors report Year ended 31 March 2023

The directors present their report and the financial statements of the company for the year ended 31 March 2023.

#### Directors

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

Mr Syed Baqar Abbas Zaidi

Mr James Kirkbride

Dr George Panagiotou

Ms Benish Fatima Zaidi

Dr Abdul Matin Khan

(Resigned 4 June 2023)

Mr Ali Jafar Zaidi

Mr Naseer Ahmed

#### Dividends

Dividends amounting to £650,000 have been declared and paid during this year.

#### Future developments

The directors anticipate a favourable business environment. They believe that the company is in a good financial position and they remain confident that the company will continue to grow in future.

#### Greenhouse gas emissions and energy consumption

	Unit	2023	2022
Emissions resulting from the purchase of electricity by the company for its own use	tCO <sub>2</sub> e	177	179
Total emissions	tCO <sub>2</sub> e	177	179
Total energy consumed	kWh	916,800	926,400
Tonnes per £ million of sales revenue	Tonnes/£ million of revenue	3.00	3.50

#### *Methodologies for energy and emissions calculations*

Energy usage in our properties amounted to 917 mWh (2022 - 926 mWh). This equates to 3.0 tonnes (2022 - 3.5 tons) of CO<sub>2</sub> per £ million of sales revenue.

#### *Principal measures taken to increase energy efficiency*

The School is committed to reducing its impact on the environment and is regularly taking steps to achieve this. It invests significant effort to achieve and maintain its carbon neutral status.

#### Employment of disabled persons

The School has a policy regarding disabled employees under which it fully considers applications for employment by disabled persons including their skills and capabilities. If any of the School's staff become disabled every effort is made that they are able to continue employment and if further training is needed, that is also provided. The School's policy is to ensure that any disabled employees are considered entirely the same as other employees when considering promotion, career development and training.

## **London School of Science & Technology Limited**

### **Directors report (continued)**

**Year ended 31 March 2023**

#### **Employee involvement**

The School considers carefully all policies and related matters that affect employees. All matters that affect employees' interests are discussed and agreed with employees, at staff meetings. In these meeting the employees are also made aware of financial and economic aspects that are relevant to the School's performance. Ideas given by employees are taken into account in the discussions. The School and employees both benefit from this process.

Matters of concern to employees are regularly communicated to them through information bulletins so that there is common awareness of the issues that are subsequently discussed with the employees and their department heads.

There is no employee share scheme at present. However, bonuses are given based on employees performance.

#### **Financial instruments**

The company does not have financial exposure. Due to robust financial performance in the last few years, there are sufficient cash reserves to cover any unexpected events. These cash reserves are expected to increase in the next few years.

#### **Other matters**

The principal activity of the company is that of providing higher education courses and training programmes in business, information technology, health and social care, and English language.

#### **Disclosure of information in the strategic report.**

The company has chosen in accordance with Companies Act 2006, s. 414((11) to set out in the company's Strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' report. It has done so in respect of the company's performance, outlook, strategy, policies and future developments, and engagement with suppliers, customers and others.



## London School of Science & Technology Limited

### Directors report (continued) Year ended 31 March 2023

#### Directors responsibilities statement

The directors are responsible for preparing the strategic report, 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 year. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

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

#### 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.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 25 September 2023 and signed on behalf of the board by:



Mr Ali Jafar Zaidi  
Director



Mr Syed Baqar Abbas Zaidi  
Director



## **London School of Science & Technology Limited**

### **Independent auditor's report to the members of London School of Science & Technology Limited Year ended 31 March 2023**

#### **Opinion**

We have audited the financial statements of London School of Science & Technology Limited (the 'company') for the year ended 31 March 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 31 March 2023 and of its profit for the year 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.



## **London School of Science & Technology Limited**

### **Independent auditor's report to the members of London School of Science & Technology Limited (continued) Year ended 31 March 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 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 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 strategic report or 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.

#### **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:

We reviewed control environment of the company's industry (education), and the company's documentation (policies and procedures) relating to fraud and compliance with laws and regulations. The company teaches for university degrees and complies with their regulations, which we included in our review.

When we planned the audit, we included in our audit procedures such reviews and tests that are most likely to reveal any material irregularity including fraud.

We discussed with company management the steps designed to prevent fraud, irregularities, and the risk of management override. We ascertained their views, assessed and tested the adequacy and compliance of policies in place for prevention. They advised that they regularly review this matter in board and management committees' meetings and implement any decisions taken. We reviewed minutes of these meetings and included appropriate tests in our audit work.



## **London School of Science & Technology Limited**

### **Independent auditor's report to the members of London School of Science & Technology Limited (continued) Year ended 31 March 2023**

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.

**London School of Science & Technology Limited**

**Independent auditor's report to the members of  
London School of Science & Technology Limited (continued)  
Year ended 31 March 2023**



Kamal A Kureshi (Senior Statutory Auditor)

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

25 September 2023



**London School of Science & Technology Limited**

**Statement of comprehensive income  
Year ended 31 March 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Turnover</b>	<b>4</b>	58,790,012	50,906,738
Cost of sales		(15,434,804)	(14,144,998)
<b>Gross profit</b>		43,355,208	36,761,740
Administrative expenses		(21,957,914)	(20,751,964)
<b>Operating profit</b>	<b>5</b>	21,397,294	16,009,776
Other interest receivable and similar income	<b>8</b>	511,006	-
<b>Profit before taxation</b>		21,908,300	16,009,776
Tax on profit	<b>9</b>	(4,223,439)	(3,113,953)
<b>Profit for the financial year and total comprehensive income</b>		<u>17,684,861</u>	<u>12,895,823</u>

All the activities of the company are from continuing operations.

The notes on pages 23 to 32 form part of these financial statements.

**London School of Science & Technology Limited**


**Statement of financial position  
31 March 2023**

	Note	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11	2,542,827		2,885,100	
			2,542,827		2,885,100
<b>Current assets</b>					
Debtors	12	25,963,377		17,303,015	
Cash at bank and in hand		33,834,856		22,808,612	
		59,798,233		40,111,627	
<b>Creditors: amounts falling due within one year</b>	13	(9,553,404)		(7,243,932)	
<b>Net current assets</b>			50,244,829		32,867,695
<b>Total assets less current liabilities</b>			52,787,656		35,752,795
<b>Net assets</b>			52,787,656		35,752,795
<b>Capital and reserves</b>					
Called up share capital	15	20,000		20,000	
Profit and loss account		52,767,656		35,732,795	
<b>Shareholders funds</b>			52,787,656		35,752,795

These financial statements were approved by the board of directors and authorised for issue on 25 September 2023, and are signed on behalf of the board by:



Mr Ali Jafar Zaidi  
Director



Mr Syed Baqar Abbas Zaidi  
Director

Company registration number: 04640769

The notes on pages 23 to 32 form part of these financial statements.



**London School of Science & Technology Limited**

**Statement of changes in equity  
Year ended 31 March 2023**

	Called up share capital	Profit and loss account	Total
	£	£	£
<b>At 1 April 2021</b>	20,000	22,836,972	22,856,972
Profit for the year		12,895,823	12,895,823
<b>Total comprehensive income for the year</b>	-	12,895,823	12,895,823
<b>At 31 March 2022 and 1 April 2022</b>	20,000	35,732,795	35,752,795
Profit for the year		17,684,861	17,684,861
<b>Total comprehensive income for the year</b>	-	17,684,861	17,684,861
Dividends paid and payable		(650,000)	(650,000)
<b>Total investments by and distributions to owners</b>	-	(650,000)	(650,000)
<b>At 31 March 2023</b>	20,000	52,767,656	52,787,656

**London School of Science & Technology Limited**

**Statement of cash flows  
Year ended 31 March 2023**

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	17,684,861	12,895,823
<i>Adjustments for:</i>		
Depreciation of tangible assets	461,366	524,980
Other interest receivable and similar income	(511,006)	-
Tax on profit	4,223,439	3,113,953
<i>Changes in:</i>		
Trade and other debtors	(8,660,362)	(4,093,891)
Trade and other creditors	(503,967)	(708,225)
Cash generated from operations	12,694,331	11,732,640
Interest received	511,006	-
Tax paid	(1,410,000)	(4,009,249)
Net cash from operating activities	<u>11,795,337</u>	<u>7,723,391</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(119,093)	(237,755)
Net cash used in investing activities	<u>(119,093)</u>	<u>(237,755)</u>
<b>Cash flows from financing activities</b>		
Equity dividends paid	(650,000)	-
Net cash used in financing activities	<u>(650,000)</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	11,026,244	7,485,636
<b>Cash and cash equivalents at beginning of year</b>	22,808,612	15,322,976
<b>Cash and cash equivalents at end of year</b>	<u>33,834,856</u>	<u>22,808,612</u>



## **London School of Science & Technology Limited**

### **Notes to the financial statements**

**Year ended 31 March 2023**

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

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is London School of Science & Technology Ltd, Memo House, 1st Floor, Kendal Avenue, London, W3 0XA.

#### **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 on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

##### **Turnover**

i) Turnover is measured at the fair value of the consideration received or receivable for services rendered, net of discounts and Value Added Tax. Revenue from the sale of services is recognised when the significant risks and rewards of ownership have transferred to the buyer on delivery of the services; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

ii) The payment policy of customers is payment of 25% upon completion of the first academic term of studies, 25% upon completion of the second academic term of studies, and 50% upon completion of the third academic term of studies which is the final term for an academic year.

Students are taught in accordance with the company's academic calendar which lists all weeks in the academic year during which students are taught. The company recognises revenue based on the number of weeks that students have been taught during the period for which results are being presented. The total fees for each academic year is apportioned across the number of weeks of teaching carried out by the company. That part of the fees relating to the weeks for which teaching has been completed in the accounting period is recognised as fees income.

This policy is in accordance with FRS102 percentage of completion method whereby tuition fees is being recognised as revenue over the period of instruction.

##### **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.



## London School of Science & Technology Limited

### Notes to the financial statements (continued)

Year ended 31 March 2023

#### Tangible assets

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

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

#### 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	- 25%	straight line
Motor vehicles	- 25%	straight line
Leasehold improvements	- 10%	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.

#### 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.



## London School of Science & Technology Limited

### Notes to the financial statements (continued) Year ended 31 March 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 or 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.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

#### 4. Turnover

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

#### 5. Operating profit

Operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible assets	461,366	524,980
Fees payable for the audit of the financial statements	15,000	5,500

**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

**6. Staff costs**

The average number of persons employed by the company during the year, including the directors, amounted to:

	<b>2023</b>	<b>2022</b>
Academic staff	206	187
Administrative and management staff	169	150
	<u>375</u>	<u>337</u>

The aggregate payroll costs incurred during the year were:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	12,961,259	11,122,653
Social security costs	1,199,164	898,535
Other pension costs	185,580	148,417
	<u>14,346,003</u>	<u>12,169,605</u>

Wages and salaries as above include £1,033,768 paid to contractors (2022 - £1,419,780).

The number of employees including directors whose gross salary was over £100,000 was as below:

	<b>2023</b>	<b>2022</b>
Basic salary per annum		
£160,000 - £164,999	-	1
£175,000 - £179,999	1	-
£190,000 - £194,999	1	-
£240,000 - £244,999	-	1
£325,000 - £329,999	-	1
£350,000 - £354,999	1	-

**Head of provider remuneration**

Mr S B A Zaidi (until replacement, see note below)

Salary and consultancy	350,000	325,593
Company contribution to pension plan	-	110
Dividends	585,000	-
Total	<u>935,000</u>	<u>325,703</u>

The pay multiple of head of provider's salary and the median salary of other employees is 11.2 (2022 - 10.6), and head of provider's total remuneration and median salary of other employees is 29.8 (2022 - 10.6).

The company has performed well under leadership of head of provider (CEO). The directors do not consider the head of provider's remuneration to be excessive and consider it to be comparable to other providers in the industry.

With effect from 24 March 2023, Mr A J Zaidi replaced Mr S B A Zaidi as head of provider. Mr A J Zaidi's remuneration from 24 March 2023 to 31 March 2023 was £4,712.



**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

**7. Directors remuneration**

The directors aggregate remuneration in respect of qualifying services was:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Remuneration	<u>872,959</u>	<u>892,348</u>

Remuneration of the highest paid directors in respect of qualifying services:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Aggregate remuneration	350,000	325,593
Company contributions to pension plans in respect of qualifying services	<u>-</u>	<u>110</u>
	<u>350,000</u>	<u>325,703</u>

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Interest on cash and cash equivalents	<u>511,006</u>	<u>-</u>

**9. Tax on profit**

**Major components of tax expense**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK current tax expense	4,223,439	3,113,953
<b>Tax on profit</b>	<u>4,223,439</u>	<u>3,113,953</u>

**Reconciliation of tax expense**

The tax assessed on the profit for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%).

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<u>21,908,300</u>	<u>16,009,776</u>
Profit multiplied by rate of tax	4,162,577	3,041,857
Effect of capital allowances and depreciation	<u>60,862</u>	<u>72,096</u>
Tax on profit	<u>4,223,439</u>	<u>3,113,953</u>

**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

**10. Dividends**

**Equity dividends**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>650,000</u>	<u>-</u>

**11. Tangible assets**

	Long leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	<b>Total £</b>
<b>Cost</b>				
At 1 April 2022	634,075	5,643,062	68,250	6,345,387
Additions	-	119,093	-	119,093
Disposals	-	-	(68,250)	(68,250)
<b>At 31 March 2023</b>	<u>634,075</u>	<u>5,762,155</u>	<u>-</u>	<u>6,396,230</u>
<b>Depreciation</b>				
At 1 April 2022	-	3,392,037	68,250	3,460,287
Charge for the year	-	461,366	-	461,366
Disposals	-	-	(68,250)	(68,250)
<b>At 31 March 2023</b>	<u>-</u>	<u>3,853,403</u>	<u>-</u>	<u>3,853,403</u>
<b>Carrying amount</b>				
<b>At 31 March 2023</b>	<u>634,075</u>	<u>1,908,752</u>	<u>-</u>	<u>2,542,827</u>
At 31 March 2022	<u>634,075</u>	<u>2,251,025</u>	<u>-</u>	<u>2,885,100</u>

See note 17 relating to charges on assets.

**12. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	15,847,681	13,967,628
Other debtors	10,115,696	3,335,387
	<u>25,963,377</u>	<u>17,303,015</u>

Other debtors include £8,775,121 (2022 - £2,147,451) due from related parties, see note 19.



**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	5,039,277	5,472,957
Corporation tax	4,095,532	1,282,093
Social security and other taxes	371,993	303,334
Other creditors	46,602	185,548
	<u>9,553,404</u>	<u>7,243,932</u>

Trade creditors include £702,051 (2022 - £1,591,001) which was due from related parties, see note 19.

**14. Employee benefits**

The amount recognised in profit or loss in relation to defined contribution plans was £185,580 (2022: £148,417).

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

	<b>2023</b>		<b>2022</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares shares of £ 1.00 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

**16. Operating leases**

**The company as lessee**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	2,833,020	2,876,353
Later than 1 year and not later than 5 years	8,825,570	10,168,757
Later than 5 years	12,835,143	14,322,169
	<u>24,493,733</u>	<u>27,367,279</u>

London School of Science & Technology Ltd (LSST) signed some long leases as part of its continued growth and expansion. The locations of these buildings are situated in prime locations in London, Birmingham and Luton. There are no restrictions in subletting to third parties if needed. The landlords cannot ask LSST to vacate premises earlier than expiry of the rent leases, which have expiry dates up to 2039. Due to University requirements, LSST is required to hold long leases of the campuses. The leases can be re-negotiated with the landlords if necessary. Lease payments recognised as an expense during the year ended 31 March 2023 amounted to £2,898,036 (2022 - £3,583,890).

**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

**17. Charge on assets**

On 19 February 2007 a rent deposit deed charge was placed on the company's bank in favour of Proudreed Real Estate Ltd in respect of rent deposit monies initially £7,540.

On 4 September 2019 a debenture was created and registered giving HSBC UK Bank PLC a fixed and floating charge over the company's assets to cover any temporary overdraft facilities and/or credit card facilities.

On 22 October 2021 a debenture was created and registered giving Barclays Bank PLC a fixed and floating charge over the company's assets. A charge over a property owned by a director was also given to the bank. A term loan facility has been arranged with Barclays Bank PLC for £3.6 million effective 2 November 2021 until 2 April 2027. No drawdown has taken place using this facility as at date of signature on these financial statements.

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

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

	<b>2023</b>			
	Balance brought forward £	Advances /(credits) to the directors £	Amounts repaid £	Balance o/standing £
Mr Syed Baqar Abbas Zaidi	595,000	-	(595,000)	-
	<u>595,000</u>	<u>-</u>	<u>(595,000)</u>	<u>-</u>
	<b>2022</b>			
	Balance brought forward £	Advances /(credits) to the directors £	Amounts repaid £	Balance o/standing £
Mr Syed Baqar Abbas Zaidi	-	595,000	-	595,000
	<u>-</u>	<u>595,000</u>	<u>-</u>	<u>595,000</u>

These funds were advanced to a director on 28 May 2021. Market interest rates were charged on the loan. The director fully repaid the loan on 14 November 2022. See note 19 related party transactions.



**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

**19. Related party transactions**

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2023	2022	2023	2022
	£	£	£	£
Readytac Ltd	-	727,352	-	-
Directors remuneration - see Note 7	872,959	892,348	-	-
Directors dividends - see Note 10	585,000	-	-	-
Zabs Group Ltd	517,371	401,894	615,704	587,286
Ahlebait Foundation	-	102,000	-	-
London Community College	-	1,058,331	-	(1,002,588)
L C College Ltd	2,299,526	2,115,487	(702,051)	(588,412)
Zabs Property	8,433,617	1,682,931	8,159,117	965,165
Directors termination - see Note 22	-	385,780	-	-
Director's loan - see Note 18	-	595,000	-	595,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The related parties are related due to being under common control.

The nature of payments to related parties relate to recharges of property rentals, purchase of equipment, recruitment consultancy, and other costs. Included above in 2023 in Zabs Property transaction value is an amount of £7,517,867 that has been advanced relating to acquisition of a student campus property by LSST. This property acquisition is in process and expected to be completed this year. Zabs Property is jointly owned by shareholder and director Mr S B A Zaidi and shareholder Mrs H Z Zaidi. The remaining transactions with Zabs Property relate to property rental and service charges.

No security or guarantee has been given in respect of any related party transaction.

The amounts due from related parties relate to rent deposit £615,704 Zabs Group Ltd, and Zabs Property deposit £641,250 and £7,517,867 advance re property acquisition as described above. The amounts payable to L C College Ltd of £702,051 relate to recruitment consultancy.

LSST did not consider it to be required and has not made any allowance for bad or doubtful debts in respect of related parties in the year.

**20. Key management personnel**

The total compensation of key management personnel including during this year was £872,959 (2022 - £1,048,785).

**21. Controlling party**

The company is controlled by the director Mr S B A Zaidi who owns 90% and together with his family owns 100% of the issued ordinary share capital.

**22. Termination benefits**

The statutory workplace pension scheme is the only termination benefit applicable to all employees. During the previous year ended 31 March 2022, termination payments amounting to £385,780 were paid to directors who resigned.

**London School of Science & Technology Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2023**

**23. Access and participation expenditure**

The School's fee category does not require an access and participation plan. An access and participation statement is available on the School's website: <https://www.lsst.ac/about/access-participation-statement/>.

**24. Details of grant and fee income**

	2023	2022
Grant income from OfS	-	-
Grant income from other bodies	-	27,531
Fee income from taught awards	58,790,012	50,879,207
Fee income from research awards	-	-
Fee income from non-qualifying courses	-	-
Total grant and fee income	<u>58,790,012</u>	<u>50,906,738</u>