

Registered number: 07165333

**GLOBAL BANKING SCHOOL LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

# GLOBAL BANKING SCHOOL LIMITED

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# GLOBAL BANKING SCHOOL LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Dr V Rana
<b>Registered number</b>	07165333
<b>Registered office</b>	891 Greenford Road Greenford London UB6 0HE
<b>Independent auditor</b>	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

# GLOBAL BANKING SCHOOL LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 28 FEBRUARY 2021

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### Introduction

Global Banking School (GBS) is a higher education provider offering a range of industry-focused courses across eight campuses in London, Manchester, Birmingham and Leeds. We work in partnership with several leading UK universities to deliver vocational, undergraduate, and postgraduate programmes in accounting, business and management and healthcare.

The school aims to help students thrive in today's competitive job market – offering excellent links to employers and a focus on one-to-one academic and career guidance in addition to our specialist courses. We take an inclusive approach to recruiting students, with an aim to widening access to higher education among groups currently under-represented in the sector.

We are an on the Office for Students Register and have been reviewed by the Quality Assurance Agency.

### 1. GBS's Vision and Mission

**GBS's Vision:** Changing lives through education that makes a fundamental difference to living standards and access to learning.

#### GBS's Values:

1. We care for our students
2. We care for each other
3. We always want to learn and improve
4. We want to make a significant contribution to our communities
5. We value our entrepreneurial spirit
6. We appreciate and reward high performance
7. We cherish diversity
8. We operate ethically and professionally

### 2. Strategic Plan 2021-24

The GBS has established its Strategic Plan 2021-2024 with the key elements that guide our work and deliver our ambitions until the end of Academic Year 2023/24. It defines five strategic goals with supporting strategies, policies and procedures and the key elements constituting successful achievement of the goals.

### 3. High-Quality Academic Experience

GBS received excellent results in the 2021 National Student Survey (NSS). For the headline score of "overall satisfaction with the quality of my course" our students rated us an amazing 93%, compared to a mean average of 77% for our sector. In the category sections, we led industry with above 90% in areas of teaching and delivery, learning opportunities, assessment and feedback, and academic support. This is a remarkable score and demonstrates our values at work, particularly we care for our students, and we operate ethically and professionally. It is essential that our students continue to be at the heart of everything that we do. We are delighted that the results bring to life the culture we see every day across all our campuses.

### 4. Return on Student Investment

As our students make significant investments for their study, GBS makes substantial investments to provide our students with a high-quality learning experience that they would consider "worth every penny" and more.

- **Investment in Unit 4 Student Management and ERP system and other IT projects** GBS has invested **£7 million** in the Unit 4 project to establish our cloud-based system to transfer our student experience by providing a holistic view of every student and powerful insights that connect with and support them through their entire education journey. The system will enable us to personalise communication, respond faster to student needs and ultimately increase retention and graduation rates with intelligent tools and analytics. The Unit 4 ERP project supports us providing significant automation for low-value tasks with much advanced

# GLOBAL BANKING SCHOOL LIMITED

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

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analytics and forecasting capabilities for our entire report-to-record and planning cycles. It also provides us with a wide range of modules including Procurement, Payroll, Financial Planning and Analysis, and Talent Management which will drive efficiency, accuracy and improved people experience through all departments at GBS. We' have also introduced new systems to support automation and process controls including Moodle upgrades, Sysaid, Eventmap and Power BI that pulls information from all main systems including Zoho and Unit 4.

- **Investment in Learning and teaching resources** GBS continues investment in learning resources, including both online materials and paper books in a physical library. According to this plan we have developed libraries in all campuses with required books for all programmes as well as exploring different sources of potential online resources and completed agreement with EBSCO for unlimited user subscriptions for business related subject books.
- **Campus development** GBS has invested significantly in campus development to reach our students globally offering high-quality education with experience with the world-class infrastructure and technology. A fully equipped library, modern audio-visual technologies to support on-site and virtual teaching, computer labs, study zones and student community areas have been developed in all our campuses which will improve our student experience. Our new campuses are Greenford – GBS global headquarter, Leeds, and Dubai, our first campus outside of the UK and they are all up and running for new student recruitment. Due to growing demand of students, we are developing our fourth campus in London: Stratford with the plan to welcome students from Jan 2022.

# GLOBAL BANKING SCHOOL LIMITED

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 5. Principal risks and uncertainties

#### Brexit

Brexit remains a significant risk of a reduction in European students due to access for finance by European students. However, GBS has actively managed this risk that over 40% of our new students during January and June 2021 intakes were from EU (UK Domiciled) countries which was in the line with historical average.

#### Coronavirus (Covid-19) Pandemic

GBS has managed to maintain operations successfully during the current pandemic following advice from the UK government and the OFS. We have subsequently had Ministerial advice classifying HE as an essential service and brought our students back in for face-to-face teaching shifting towards a blended learning combining both online and campus teaching for all our students. We have developed clear procedures for managing outbreaks that have resulted in 12 bubbles (out of 206) being switched to online teaching for 1–2-week period.

GBS has consistently supported our staff and in particular have not furloughed any staff, have paid for private testing when there has been exposure and ensured that staff who need to work from home have the necessary tools and support to do so. Despite the challenges this unexpected situation poses, GBS has adopted exciting, rewarding and highly supportive approaches to its teaching and learning provision in response to the Coronavirus (COVID-19) pandemic.

#### Managing Risk and Uncertainty

The Executive Board has introduced new institutional risk register that shows the most significant areas of risk exposures into three main categories of People, External and Business. All risk exposures have been explained in 18 sub-categories with details of the nature of the risk and we've defined 90 control mitigations which are allocated to the risk owners for continual updates with changes and developments. Each risk item has an assessment for both Likelihood and Impact (L/I) at both the gross level and at a residual level after the operation of the control mechanisms, with a time horizon of the next two years, and is assessed as Low, Medium or High.

### 6. Financial key performance indicators

GBS has successfully closed the 2020-2021 financial year with £30.3 million revenue and £4.5 million profit. Revenue has increased from £10.2 million to £30.3 million which is 200%, this is the peak year of growth.

Cost of sales remains consistent with the historical average relative to income. Administrative expenses include £3.1 million staff salaries, £2.6 million rent, £1.1 million campus development, £0.5 million in learning resources and information system.

Total assets on our balance sheet increased to £14.6 million – with fixed assets totalling £1.9 million; cash £4.5 million; and receivables £7.3 million. The balance sheet reflects total net assets of £6.1 million and retained earnings of £6.1million.

#### Financial viability

GBS continues to maintain positive retained earnings and a high current ratio.

# GLOBAL BANKING SCHOOL LIMITED

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

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### Financial Sustainability

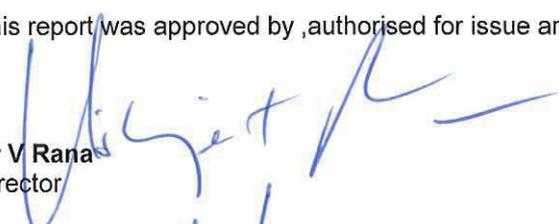
The Governance structure, diversification of portfolio and new campus developments were the areas we have focused on during this period to support our long-term financial sustainability.

We have developed structural changes as a consequence of further reflection on what will be required for a 20,000 plus student organisation in next couple of years. These changes have been proved successful for supporting our operations as during 2020-2021 Academic year GBS welcomed over 5,200 new students and we have ambitious plan to recruit a further 10,000 students during the 2021-2022 Academic Year. The key changes are as follows:

- The establishment of an Academic Registry to ensure we have a more robust and secure approach to holding and managing the student record, something that will be essential as we move towards degree awarding powers.
- An enhancing of our marketing function to give us the required tools to extend our direct recruitment efforts with an ambition to recruit at least 50% of students through this route.
- The introduction of a communications and PR function to ensure that both our internal and external communications functions are consistent with those required by a large organisation and that our reputation is developed and enhanced.
- A slight reorganisation of our operations directorate to streamline operations and ensure we have adequate coverage across all our campuses
- The introduction of a dedicated timetabling function to manage the increasingly complex task of constructing an efficient and effective timetable in a timely fashion.
- The introduction of a programme management function to ensure we can execute our major projects efficiently and within very tight timescales

We have continued developing successful new relationships with collaborative partners. We have also built a global portfolio approach introducing new programmes including subjects in tourism, construction, accounting and financial management and teacher training with variety of different terms; these are all the academic subject areas in demand from students local to our campus locations. GBS has four campuses, two in London, one in Birmingham, and one in Manchester. All these campuses are in areas that support GBS's widening participation agenda for student recruitment. Our locations help to ensure financial sustainability by accessing student markets that more traditional higher education providers find hard to reach. The academic subject areas are those in demand from students local to our campus locations. Our collaborative partnerships with two universities through franchise/validation type arrangements provide a choice of distinctive higher education provision to prospective students around our campus locations..

This report was approved by ,authorised for issue and signed by the sole director.

  
Dr V Rana  
Director

Date:

29/9/21

# GLOBAL BANKING SCHOOL LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 28 FEBRUARY 2021

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The director presents his report and the financial statements for the year ended 28 February 2021.

### Results and dividends

The profit for the year, after taxation, amounted to £4,510,592 (2020 - £1,508,049).

The director declared dividends of £90,000 (2020: £92,000) during the year.

### Director

The director who served during the year was:

Dr V Rana

### Disclosure of information to auditor

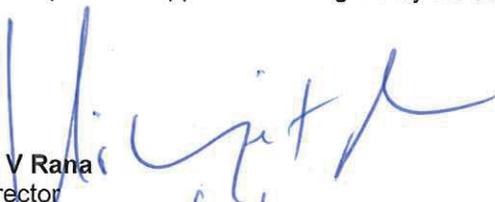
The director at the time when this director's report is approved has confirmed that:

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

This report was approved and signed by the sole director.

Dr V Rana  
Director

Date:



29/9/21

# **GLOBAL BANKING SCHOOL LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 28 FEBRUARY 2021**

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The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the company's financial statements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

# **GLOBAL BANKING SCHOOL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL BANKING SCHOOL LIMITED FOR THE YEAR ENDED 28 FEBRUARY 2021**

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### **Opinion**

We have audited the financial statements of Global Banking School Limited (the 'company') for the year ended 28 February 2021, which comprise the profit and loss account, the balance sheet, the statement of cash flows, the statement of changes in equity and the notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2021 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 United Kingdom, including the Financial Reporting Council'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 director's 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 director with respect to going concern are described in the relevant sections of this report.

# **GLOBAL BANKING SCHOOL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL BANKING SCHOOL LIMITED (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021**

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### **Other information**

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

### **Opinion 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

### **Opinion on other matters required by the Office for Students (OfS) Audit Code of Practice**

In our opinion, in all material respects:

- funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- funds provided by OfS have been applied in accordance with the Memorandum of Assurance and Accountability and any other terms and conditions attached to them; and
- The requirements of the OfS's Accounts Direction have been met.

### **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 director's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **GLOBAL BANKING SCHOOL LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL BANKING SCHOOL LIMITED (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021**

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#### **Responsibilities of directors**

As explained more fully in the director's responsibilities statement set out on page 7, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

# GLOBAL BANKING SCHOOL LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL BANKING SCHOOL LIMITED (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the director and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the requirements of registration with the Office for Students, including the Accounts Direction, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

## GLOBAL BANKING SCHOOL LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL BANKING SCHOOL LIMITED (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including and the company's legal advisors.

Our risk assessment findings for both non-compliance with laws and regulations and the susceptibility of the group's financial statements to material misstatement arising from fraud were communicated with component auditors so that they could include them within their own risk assessment procedures and include, where appropriate audit procedures in response to such risks in their work.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

#### Use of our report

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

*Blick Rothenberg Audit LLP*

Mark Hart FCA CTA (senior statutory auditor)

for and on behalf of  
**Blick Rothenberg Audit LLP**

Chartered Accountants  
Statutory Auditor

16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

Date: 30 September 2021

**GLOBAL BANKING SCHOOL LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**

		2021 £	2020 £
Turnover	3	30,377,883	10,204,610
Cost of sales		<u>(15,105,900)</u>	<u>(5,103,660)</u>
<b>Gross profit</b>		<b>15,271,983</b>	<b>5,100,950</b>
Administrative expenses		<u>(9,861,602)</u>	<u>(3,222,228)</u>
<b>Operating profit</b>	<b>4</b>	<b>5,410,381</b>	<b>1,878,722</b>
Tax on profit	8	<u>(899,789)</u>	<u>(370,673)</u>
<b>Profit for the financial year</b>		<b><u>4,510,592</u></b>	<b><u>1,508,049</u></b>

There are no items of other comprehensive income for either the year or the prior year other than the profit for the year. Accordingly, no statement of other comprehensive income has been presented.

**GLOBAL BANKING SCHOOL LIMITED****BALANCE SHEET  
AS AT 28 FEBRUARY 2021**

	Note	28 February 2021 £	29 February 2020 £
<b>Fixed assets</b>			
Tangible assets	10	1,940,573	441,058
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	11	895,862	463,779
Debtors: amounts falling due within one year	11	7,334,582	3,505,156
Cash at bank and in hand	12	4,496,137	1,409,908
		<u>12,726,581</u>	<u>5,378,843</u>
Creditors: amounts falling due within one year	13	(4,981,244)	(2,674,981)
<b>Net current assets</b>		<u>7,745,337</u>	<u>2,703,862</u>
<b>Total assets less current liabilities</b>		<u>9,685,910</u>	<u>3,144,920</u>
Creditors: amounts falling due after more than one year	14	(3,504,289)	(1,311,008)
<b>Provisions for liabilities</b>			
Deferred tax	15	(56,596)	(49,479)
		<u>(56,596)</u>	<u>(49,479)</u>
<b>Net assets</b>		<u>6,125,025</u>	<u>1,784,433</u>
<b>Capital and reserves</b>			
Called up share capital	16	100	100
Profit and loss account	17	6,124,925	1,784,333
<b>Total equity</b>		<u>6,125,025</u>	<u>1,784,433</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Dr V Rana  
Director

Date:

29/2/21

The notes on pages 17 to 29 form part of these financial statements.

# GLOBAL BANKING SCHOOL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 March 2019	100	441,284	441,384
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	1,508,049	1,508,049
<b>Total comprehensive income for the year</b>	-	1,508,049	1,508,049
Dividends: Equity capital	-	(165,000)	(165,000)
<b>Total transactions with owners</b>	-	(165,000)	(165,000)
At 1 March 2020	100	1,784,333	1,784,433
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	4,510,592	4,510,592
<b>Total comprehensive income for the year</b>	-	4,510,592	4,510,592
Dividends: Equity capital	-	(170,000)	(170,000)
<b>Total transactions with owners</b>	-	(170,000)	(170,000)
At 28 February 2021	100	6,124,925	6,125,025

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### Financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# GLOBAL BANKING SCHOOL LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2021

	28 February 2021 £	29 February 2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	4,510,592	1,508,049
<b>Adjustments for:</b>		
Depreciation of tangible assets	148,066	65,280
Taxation charge	899,789	370,673
Increase in debtors	(4,261,509)	(2,490,023)
Increase in creditors	4,426,969	2,311,527
Corporation tax paid	(827,815)	(119,044)
<b>Net cash generated from operating activities</b>	<b>4,896,092</b>	<b>1,646,462</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,647,581)	(467,127)
<b>Net cash from investing activities</b>	<b>(1,647,581)</b>	<b>(467,127)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(2,039)	(16,812)
Dividends paid	(163,000)	(92,000)
<b>Net cash used in financing activities</b>	<b>(165,039)</b>	<b>(108,812)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,083,472</b>	<b>1,070,523</b>
Cash and cash equivalents at beginning of year	1,409,908	339,385
<b>Cash and cash equivalents at the end of year</b>	<b>4,493,380</b>	<b>1,409,908</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	4,496,137	1,409,908
Bank overdrafts	(2,757)	-
	<b>4,493,380</b>	<b>1,409,908</b>

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 1. General information

Global Banking School Limited provides educational programmes in Finance, Banking, Management and Healthcare.

The company is a private company limited by shares and incorporated in England and Wales. The address of its office and principal place of business is 891 Greenford Road, Greenford, London, UB6 0HE.

The financial statements are presented in Sterling (£).

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006, FEHE SORP 2015 and OfS Regulatory advice 9: Accounts direction.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

#### 2.2 Going concern

Having considered post year end trading, financial results, cash reserves, and after making enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements are approved. Accordingly, he continues to adopt the going concern basis in preparing the financial statements.

#### 2.3 Revenue

Revenue is derived from the provision of educational courses. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue represents tuition fees in relation to courses delivered during the year and is recognised evenly over the period of the relevant courses. Amounts invoiced for the courses which will be provided in future periods are held at the balance sheet date within deferred income. Where tuition has been provided to funded students but the funding has not yet been received the income is recognised as accrued income.

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold improvements	-	20%	on a reducing balance basis
Office equipment	-	20%	on a reducing balance basis
Computer equipment	-	20%	on a reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### 2.5 Share capital

Ordinary shares are classified as equity.

#### 2.6 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.7 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 2.8 Pensions

#### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 2. Accounting policies (continued)

#### 2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

#### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

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### 3. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Turnover	<u>30,377,883</u>	<u>10,204,610</u>

Turnover is derived from the company's principal activities wholly undertaken in the United Kingdom.

### 4. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	148,066	50,085
Amortisation of intangible assets	-	16,222
Fees payable to the company's auditor for the audit of the company's annual statements	20,000	20,500
Fees payable to the company's auditor for non-audit services	6,000	6,000
Other operating lease rentals	2,560,481	1,093,590
Defined contribution pension costs	<u>167,344</u>	<u>45,212</u>

### 5. Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>20,000</u>	<u>20,500</u>
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
All other services	<u>6,000</u>	<u>6,000</u>

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 6. Employees

Staff costs, including director's remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	4,038,788	1,183,777
Social security costs	426,368	117,145
Cost of defined contribution scheme	167,344	45,943
	<u>4,632,500</u>	<u>1,346,865</u>

The average monthly number of employees, including the director, during the year was as follows:

	2021 No.	2020 No.
Average number of employees	<u>120</u>	<u>43</u>

The total remuneration package for the head of provider was as follows:

	2021 £
Basic salary	96,187
Pension contributions	1,313
Dividend	90,000
	<u>187,500</u>

The head of the provider's basic salary is 2.8 (2020: 0.8) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The head of the provider's total remuneration is 5.5 (2020: 6.1) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

There was one (2020: none) member of staff with a basic salary in excess of £100,000.

Key management personnel costs amounted to £235,040 (2020: £24,269).

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 7. Director's remuneration

	2021 £	2020 £
Director's emoluments	96,187	24,269
Company contributions to defined contribution pension schemes	1,313	731
	<u>97,500</u>	<u>25,000</u>

During the year retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

### 8. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	892,672	327,815
	<u>892,672</u>	<u>327,815</u>
<b>Total current tax</b>	<u>892,672</u>	<u>327,815</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,117	42,858
<b>Total deferred tax</b>	<u>7,117</u>	<u>42,858</u>
<b>Taxation on profit on ordinary activities</b>	<u>899,789</u>	<u>370,673</u>

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 8. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>5,410,381</u>	<u>1,878,722</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,027,972	356,957
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	21,199	42,732
Capital allowances for year in excess of depreciation	(156,499)	(71,874)
Short term timing difference leading to an increase (decrease) in taxation	7,117	42,858
<b>Total tax charge for the year</b>	<u><u>899,789</u></u>	<u><u>370,673</u></u>

#### Factors that may affect future tax charges

In the Spring Budget 2021 on 3 March 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase 25% for companies with profits of over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

As of the date of the approval of these financial statements the increase in rates has not been substantively enacted. As the proposal to increase the rate had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

### 9. Dividends

	2021 £	2020 £
Dividends declared and paid	90,000	92,000
Dividends declared and unpaid	80,000	73,000
	<u><u>170,000</u></u>	<u><u>165,000</u></u>

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 10. Tangible fixed assets

	Leasehold improvements £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 March 2020	258,885	-	220,431	61,370	540,686
Additions	1,104,624	22,799	270,286	249,872	1,647,581
At 28 February 2021	<u>1,363,509</u>	<u>22,799</u>	<u>490,717</u>	<u>311,242</u>	<u>2,188,267</u>
<b>Depreciation</b>					
At 1 March 2020	15,195	-	72,159	12,274	99,628
Charge for the year on owned assets	-	4,560	83,712	59,794	148,066
At 28 February 2021	<u>15,195</u>	<u>4,560</u>	<u>155,871</u>	<u>72,068</u>	<u>247,694</u>
<b>Net book value</b>					
At 28 February 2021	<u>1,348,314</u>	<u>18,239</u>	<u>334,846</u>	<u>239,174</u>	<u>1,940,573</u>
At 29 February 2020	<u>243,690</u>	<u>-</u>	<u>148,272</u>	<u>49,096</u>	<u>441,058</u>

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 11. Debtors

	2021 £	2020 £
<b>Due after more than one year</b>		
Other debtors	895,862	463,779

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	6,846,636	3,424,150
Other debtors	11,949	11,949
Prepayments	475,997	69,057
	<u>7,334,582</u>	<u>3,505,156</u>

### 12. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	4,496,137	1,409,908
Less: bank overdrafts	(2,757)	-
	<u>4,493,380</u>	<u>1,409,908</u>

### 13. Creditors: Amounts falling due within one year

	2021 £	As restated 2020 £
Bank overdrafts	2,757	-
Bank loans	-	2,039
Corporation tax	392,672	327,815
Other taxation and social security	163,909	59,225
Other creditors	80,000	231,146
Accruals and deferred income	4,341,906	2,054,756
	<u>4,981,244</u>	<u>2,674,981</u>

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 14. Creditors: Amounts falling due after more than one year

	2021 £	As restated 2020 £
Accruals and deferred income	<u>3,504,289</u>	<u>1,311,008</u>

### 15. Deferred taxation

	2021 £
At beginning of year	49,479
Charged to profit or loss	7,117
<b>At end of year</b>	<u><u>56,596</u></u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	<u>56,596</u>	<u>49,479</u>

### 16. Share capital

	2021 £	2020 £
<b>Ordinary shares are classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 17. Reserves

#### Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

# GLOBAL BANKING SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 18. Analysis of net debt

	At 1 March 2020 £	Cash flows £	At 28 February 2021 £
Cash at bank and in hand	1,409,908	3,086,229	4,496,137
Bank overdraft	-	(2,757)	(2,757)
Bank loan	(2,039)	2,039	-
	<u>1,407,869</u>	<u>3,085,511</u>	<u>4,493,380</u>

### 19. Commitments under operating leases

At 28 February 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	1,653,064	768,285
Later than 1 year and not later than 5 years	7,835,418	4,282,340
Later than 5 years	14,083,287	6,472,595
	<u>23,571,769</u>	<u>11,523,220</u>

### 20. Controlling party

At 28 February 2021 the company was a wholly owned subsidiary of Global Education Holdings Limited, a company incorporated and registered in England and Wales. That company's registered office is 891 Greenford Road, Greenford, London, United Kingdom, UB6 0HE.

The ultimate controlling party is Dr V. Rana.