

**ICMP MANAGEMENT LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2020**

**ICMP MANAGEMENT LIMITED**  
**REGISTERED NUMBER:04780788**

**BALANCE SHEET**  
**AS AT 31 MAY 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	6	163,095	230,337
Tangible assets	7	1,507,141	1,369,589
Investments	8	970	970
		<u>1,671,206</u>	<u>1,600,896</u>
<b>Current assets</b>			
Stocks		-	1,276
Debtors: amounts falling due within one year	9	972,736	795,978
Cash at bank and in hand	10	2,974,965	905,904
		<u>3,947,701</u>	<u>1,703,158</u>
Creditors: amounts falling due within one year	11	(1,853,307)	(1,457,816)
<b>Net current assets</b>		<u>2,094,394</u>	<u>245,342</u>
<b>Total assets less current liabilities</b>		<u>3,765,600</u>	<u>1,846,238</u>
Creditors: amounts falling due after more than one year	12	(2,027,681)	(660,503)
<b>Provisions for liabilities</b>			
Deferred tax		(123,261)	(81,333)
		<u>(123,261)</u>	<u>(81,333)</u>
<b>Net assets</b>		<u><u>1,614,658</u></u>	<u><u>1,104,402</u></u>
<b>Capital and reserves</b>			
Called up share capital		259,720	259,720
Share premium account		127,105	127,105
Profit and loss account		1,227,833	717,577
		<u><u>1,614,658</u></u>	<u><u>1,104,402</u></u>

**ICMP MANAGEMENT LIMITED**  
**REGISTERED NUMBER:04780788**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MAY 2020**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

*David M Baker*

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David Baker (Dec 22, 2020, 12:16pm)

**D M Baker**  
Chair

Date: 22 Dec 2020

# ICMP MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

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### 1. General information

ICMP Management Limited is a private company limited by shares, incorporated in England and Wales. Its registered office is 1B Dyne Road, Kilburn, London, NW6 7XG.

The principal activity of the company continued to be the provision of educational services for adults (further and higher education).

### 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements have also been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 and the associated Office for Students Accounts Direction 2018.26.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The activities of the Company, together with the factors likely to affect its future development and performance are set out in the Directors Report. The financial position of the Company, its cashflow, liquidity and borrowings are presented in the Financial Statements and accompanying notes.

As noted in the principal risks and uncertainties section of the Directors' Report, the Company has been impacted by the effects of the coronavirus (COVID-19) pandemic. The effects of the pandemic are wide ranging and cannot be determined with accuracy as the pandemic is ongoing at the date of approval of the financial statements, and not knowing how long this situation will go on represents a material uncertainty.

The Directors have considered in detail the possible effects of the impacts on the Company of the coronavirus (COVID-19) outbreak and taking in to account a period exceeding 12 months from the date of approval of these financial statements, the Directors have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future.

#### 2.3 Revenue

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.

Tuition Fees and Education Contracts represent amounts receivable from students, parents, Local Education Authorities and Sponsors in respect of tuition fees for the year under consideration.

Recurrent grants from Funding Councils and other bodies are recognised in line with the latest estimates of the grant receivable for an academic year.

## ICMP MANAGEMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

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## **2. Accounting policies (continued)**

### **2.4 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.

### **2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

The company has benefited from the government assisted Coronavirus Business Interruptions Loan Scheme in the year and the Business Interruption Payment has been treated to recognise the grant in the Statement of Income and Retained Earnings in the same period as the related expenditure.

### **2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

### **2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### **2.8 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

### **2.9 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020

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**2. Accounting policies (continued)**

**2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

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 balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date.

**2.11 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life. The useful economic life of the goodwill is over a period 20 years.

**2.12 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.

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 and also using the straight line method.

Depreciation is provided on the following basis:

S/Term Leasehold Property	- Over the term of the lease
Fixtures & fittings	- 15% Reducing balance
Office equipment	- 25% Straight line

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.

NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.13 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.14 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.15 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.16 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.

**2.17 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020

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**2. Accounting policies (continued)**

**2.19 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are 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 Statement of Income and Retained Earnings.

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.

**2.20 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.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements, management have made the following judgements:

**Impact of the coronavirus (COVID-19) pandemic**

Management have considered the uncertainty arising from the coronavirus (COVID-19) pandemic. The risks that the Company are exposed to and the steps taken to mitigate them are set out in the Strategic Report and note 2.2.

**4. Employees**

The average monthly number of employees, including directors, during the year was 107 (2019 -114).



**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Senior staff pay**

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

	<b>2020</b> £	2019 £
Basic salary	<b>140,503</b>	135,296
Dividends	<b>36,700</b>	64,100
Benefits in Kind (Health insurance)	<b>9,806</b>	9,730
	<b>187,009</b>	209,126

The Head of Provider undergoes an annual performance review with the Chair, during which performance against set objectives is assessed. As a result of this, combined with any changes to the job role and responsibilities, the Chair makes a recommendation to the Remuneration and General Purposes Committee (RGPC), which is Chaired by ICMP's Senior Non-executive Director and of which the Chief Executive is not a member, with regard to the Chief Executive's remuneration package. The RGPC then considers this recommendation and makes a final decision on the remuneration package. The RGPC is confident that the Chief Executive provides appropriate value to ICMP and the total remuneration package is appropriate and reasonable when compared to remuneration provided for similar roles in other providers and in terms of its relation to the median pay of ICMP staff.

The head of the provider's basic salary is 4.8 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 Office for Students accounts directive have a threshold of 8.1 times.

The number of staff who received an annual basic salary greater than £100,000 in the following ranges was:

	<b>2020</b> £	2019 £
£135,000 - £139,999	-	1
£140,000 - £144,999	1	-
	<b>1</b>	1

There were no other staff members who received annual emoluments of £150,000 or more.

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6. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 June 2019	1,264,277
At 31 May 2020	<u>1,264,277</u>
<b>Amortisation</b>	
At 1 June 2019	1,033,940
Charge for the year on owned assets	67,242
At 31 May 2020	<u>1,101,182</u>
<b>Net book value</b>	
At 31 May 2020	<u><u>163,095</u></u>
At 31 May 2019	<u><u>230,337</u></u>

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NOTES TO THE FINANCIAL STATEMENTS  
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7. Tangible fixed assets

	S/Term Leasehold Property £	Fixtures & fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 June 2019	1,725,421	129,098	491,062	2,345,581
Additions	132,113	32,815	130,866	295,794
Disposals	-	-	(485)	(485)
At 31 May 2020	1,857,534	161,913	621,443	2,640,890
<b>Depreciation</b>				
At 1 June 2019	475,991	66,288	433,713	975,992
Charge for the year on owned assets	109,981	11,876	36,335	158,192
Disposals	-	-	(435)	(435)
At 31 May 2020	585,972	78,164	469,613	1,133,749
<b>Net book value</b>				
At 31 May 2020	1,271,562	83,749	151,830	1,507,141
At 31 May 2019	1,249,430	62,810	57,349	1,369,589

8. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 June 2019	970
At 31 May 2020	970

**ICMP MANAGEMENT LIMITED**

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**9. Debtors**

	2020 £	2019 £
Trade debtors	344,963	185,911
Amounts owed by group undertakings	132,102	227,513
Other debtors	10,649	23,839
Prepayments and accrued income	485,022	358,715
	<u>972,736</u>	<u>795,978</u>

**10. Cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	2,974,965	905,904

**11. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	516,298	655,222
Taxation and social security	223,454	180,065
Obligations under finance lease and hire purchase contracts	120,836	91,741
Other creditors	422,148	179,304
Accruals and deferred income	570,571	351,484
	<u>1,853,307</u>	<u>1,457,816</u>

**12. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Bank loans	1,700,000	-
Net obligations under finance leases and hire purchase contracts	327,681	360,503
Other creditors	-	300,000
	<u>2,027,681</u>	<u>660,503</u>

The bank loan is secured by a debenture dated 29 July 2003 which holds fixed and floating charges over the property and assets of the company.

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Loans**

Analysis of the maturity of loans is given below:

	2020 £	2019 £
<b>Amounts falling due 1-2 years</b>		
Bank loans	340,000	-
	<u>340,000</u>	<u>-</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	1,020,000	-
	<u>1,020,000</u>	<u>-</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	340,000	-
	<u>340,000</u>	<u>-</u>
	<u><u>1,700,000</u></u>	<u><u>-</u></u>

**14. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	161,164	127,231
2 to 5 years	367,734	531,318
	<u>528,898</u>	<u>658,549</u>

**15. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £40,793 (2019: £18,684). Contributions totalling £22,283 (2019: £8,562) were payable to the fund at the balance sheet date and are included in creditors.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Related party transactions**

The company has taken advantage of the exemption provided in FRS 102 Section 1A from disclosing transactions with members of the same group that are wholly owned.

**17. Auditors' information**

The auditors' report on the financial statements for the year ended 31 May 2020 was unqualified.

The audit report was signed on 22/12/2020 by Mark Taylor (Senior statutory auditor) on behalf of Venthams.