

**ICMP MANAGEMENT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2021**

# ICMP MANAGEMENT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	A P Kirkham P M Whittard S Vahidy (resigned 31 August 2020) R T Stockwell M Day A C Harris D M Baker J C King J Marzano A L Y Davis (appointed 3 June 2021)
<b>Registered number</b>	04780788
<b>Registered office</b>	1B Dyne Road Kilburn London NW6 7XG
<b>Independent auditors</b>	Venthams Chartered Accountants & Statutory Auditor 51 Lincoln's Inn Fields London WC2A 3NA

# ICMP MANAGEMENT LIMITED

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## ICMP MANAGEMENT LIMITED

### STATEMENT OF PRIMARY RESPONSIBILITIES AS AT 31 MAY 2021

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The Corporate Board has approved the following 'Statement of Primary Responsibilities', which is communicated widely together with information regarding the Board's delegated powers to other committees, bodies or individuals within the organisation. Specifically, this Statement of Primary Responsibilities is published in the annual report and accounts, on the ICMP website (as part of the Corporate Board's Terms of Reference) and through the internal virtual learning environment (VLE). These primary responsibilities are reviewed and approved annually and are as follows:

1. Approving the vision, mission and strategic plans of the institution, the appointment of the Chief Executive and the composition and terms of reference of the Academic Board, the Executive Committee and other sub-committees;
2. Supporting the Academic Board in the provision of leadership, direction and oversight of the institution's quality assurance and enhancement (QAE) activities and the monitoring of identified academic quality indicators (AQIs);
3. Approving all major academic changes as recommended by the Academic Board, including but not limited to new course launches, course revalidations and major modular changes to courses;
4. Ensuring that the institution meets all internal and external regulatory compliance requirements and responds to regulatory reports where required;
5. Ensuring that a range of identified stakeholders (principally staff, students and shareholders) are suitably involved in the operations and decision-making processes of the institution and have access to relevant information to allow them to make informed decisions about their studies and their time at the institution generally;
6. Enabling the institution to achieve and develop its primary objectives of learning and teaching and approving the institution's educational character and academic and vocational aims and objectives;
7. Delegating authority to and holding accountable the head of the institution (the Chief Executive), operating through the executive and deliberative governance structures of the organisation, for the overall management of the institution, and establishing and keeping under review the policies, procedures and limits within which the head of the institution shall operate;
8. Reviewing and approving appropriate remuneration packages for the Chief Executive and other Senior Post Holders;

**ICMP MANAGEMENT LIMITED**

**STATEMENT OF PRIMARY RESPONSIBILITIES (CONTINUED)  
AS AT 31 MAY 2021**

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9. Ensuring the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest. Specifically, the Board's responsibilities include:
- i. Ensuring the solvency of the institution and safeguarding its assets;
  - ii. Establishing relevant sub-committees to enable effective discharge of the Board's duties;
  - iii. Approving the financial strategy; ensuring that proper books of account are kept; and receiving and approving annual accounts (audited financial statements);
  - iv. Taking overall responsibility for the institution's assets, property and facilities;
  - v. Ensuring that funds received are used in accordance with best practice and regulatory requirements;
  - vi. Ensuring the existence and integrity of risk management, control and governance systems and monitoring these through the relevant committees;
  - vii. Directing and overseeing the institution's arrangements for internal and external audit;
  - viii. Directing and overseeing the institution's Estates Strategy;
  - ix. Ensuring effective equality and diversity policies and compliance activities are implemented;
  - x. Ensuring effective health and safety policies and practices are implemented;
  - xi. Reviewing and monitoring the institution's student representation activities.
10. Ensuring that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators;
11. Approving the overall governance strategy, developing, approving and periodically reviewing a Code of Governance for the institution and conducting business in accordance with best practice and relevant law and legislation;
12. Being the institution's legal authority and, as such, ensuring that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name;
13. Acting as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution.

# ICMP MANAGEMENT LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2021

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### Introduction

The Institute of Contemporary Music Performance (ICMP) is an independent provider of high-quality higher education to students of popular music. Our vision is of our graduates 'Shaping the Future of Music' and our mission is "To inspire, encourage and equip our students to succeed by delivering a relevant and innovative educational experience of the highest quality."

In this regard, the ICMP offers a range of specialist and fully accredited undergraduate, postgraduate and associated courses, covering subjects including guitar, bass, drums, vocals, songwriting, music business and music production primarily. The majority of these courses are validated by the University of East London although ICMP has recently been awarded its own Degree Awarding Powers and, from 2022, will validate its own courses.

In addition to the education provided as a result of the ICMP's course delivery, students also benefit from a range of services and support that enables and enhances their learning experience. This includes such things as access to the ICMP's career and artist development service; access to a range of counselling and personal guidance advisors and specialists; the use of internal and external facilities for private practice, free of charge; the opportunity to participate in the activities of the ICMP's internal record services label; and access to a wide range of internal and external gigs, masterclasses, seminars and other events for personal and professional development. Additionally, ICMP makes considerable effort and allocates significant resources to widening and supporting access and participation for more disadvantaged students.

### Business review

Following the publication of the Higher Education and Research Act in May 2017 and the formation of the Office for Students (OfS) in January 2018, the outlook continues to be positive for providers such as ICMP as new opportunities arise, and the government continues to drive market-based reform to the sector. ICMP is successfully registered with the OfS, and is a highly regarded, well-managed and properly regulated HE provider. Demographic projections for the next 5-10 years show increasing numbers of young people likely to enter Higher Education and, with planned developments to our portfolio of courses and continuous improvement in terms of marketing and promotion, we are well placed to take advantage of this projected growth.

The strategic plan is currently under review and a new version will be finalised and launched from end-2021. We have been successful in achieving the vast majority of our strategic goals in recent years and are now setting a number of new and ambitious goals for future growth and development, underpinned by the recent award of our own Degree Awarding Powers and our journey towards becoming a fully-fledged university in our own right. The extended facilities at 1b Dyne Road have been further refurbished and upgraded, and we have this year added an additional property in nearby Queen's Park, which represents an additional 60% of space to accommodate planned growth. Our students therefore continue to enjoy a wide range of state-of-the-art environment for study and private practice, and now have access to two conveniently located campus buildings. Operationally, ICMP continues to drive improvements in key marketing and recruitment indicators.

Clearly, the pandemic created a significant and challenging change to circumstances during 2020/21 and this has impacted on trading performance. However, we were able to successfully navigate these challenges, ensuring continuity of provision both 'blended' and in a pure online format during lockdowns, and keeping student number growth on a forward trajectory. We are now emerging from this crisis with a renewed vigour and new ideas to develop our provision for the future. Projections show that 2021/22 will continue to be challenging financially as we recover from the pandemic period and embark on a new phase of investment in the above-mentioned new facilities. With continued growth in student numbers and a return to a more normal cost base these projections show considerable improvement from 2022 onwards and we are on track to achieve our 3-year operational and financial goals.

Crucially, given the emergency measures undertaken to enable distance learning in the short term, ICMP has improved its position with regard to the development of the 'ICMP Online' project. We now have a significantly enhanced understanding of and capability for online delivery and this learning is now being taken forward into product development, both as an enhancement for current courses and in the development of additional future revenue streams.

## ICMP MANAGEMENT LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

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The sector continues to be extremely competitive and ICMP will therefore continue to focus during 2021/22 on improving student recruitment and marketing practices in order to ensure the competitive position of the core business is enhanced in the longer term, especially given the new growth targets for new student recruitment. Overall, ICMP's strong managerial and leadership capability (as seen especially during the pandemic period) combined with the relevant systems, processes and sector understanding means we are well-placed to take advantage of opportunities and further develop the ICMP brand and business model for improved efficiency and effectiveness.

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

Overall corporate governance continues to be of the highest standards, with a well-developed and transparent approach to both corporate and academic governance with widespread use of independent and non-executive directors and student representation at all levels of the organisational structure. The ICMP conducts its business through a number of committees; each committee has terms of reference that are regularly reviewed.

During 2020/21, ICMP again passed all external regulatory requirements in regard to financial sustainability, management and governance and continued to be registered with the OfS in the 'Approved Fee Cap' category. ICMP's 'Tier 4' licence for recruitment of international students issued by the Home Office was also once again renewed, a crucial part of our operations especially now Brexit has resulted in EU students moving to a different visa status. ICMP continues to be a member of Guild HE, one of two recognised representative bodies for the HE sector.

A well-developed risk management process is in place, for both financial as well as operational risk. Both strategic and operational Risk Registers are regularly reviewed and updated, and action plans developed accordingly.

Assurance of the propriety and regularity of grant fund spend is supported by both financial regulations and our systems of internal control. These are underpinned by formal financial planning and activities executed by the internal audit group.

The Corporate Board and the Executive Committee have oversight of risk regulation and internal control. Specifically, the Corporate Board is provided with regular, formal reviews of ICMP's compliance with all the conditions of registration as required by the Office for Students (OfS).

During the year, ICMP has further developed its governance structure to ensure that the overall management and direction of the company continues to be subject to the highest standards of stewardship and oversight. In this regard the contribution of the non-executive Directors to the Corporate Board and the independent and student members of the Academic Board was significant, and the Audit and Remuneration and General Purposes sub-committees of the Corporate Board further consolidated their effective performance. The overall governance strategy and plans are regularly reviewed, and improvements made where required. ICMP's governance arrangements were reviewed externally during 2017/18 and are due again for external review from 2022/23; however internal reviews of governance capability are carried out annually at all levels of the organisation.

This continuous improvement of governance and management, combined with the new information technology and other investments referred to previously, means that better information is available to a wider team of experienced academics and professionals which will continue to improve decision making and performance at all levels of the organisation. As a result of all this, the recommendations of the QAA scrutiny team to the OfS, resulting in the award of our own Degree Awarding Powers, were entirely positive with all 58 stated criteria being met. This was an outstanding achievement, particularly so in that it was achieved during the depths of the pandemic crisis, which reflects extremely positively on the overall organisation, management and governance of the institution at all levels.

## ICMP MANAGEMENT LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

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#### Statement of Internal Control

This statement describes ICMP's arrangements for the prevention and detection of corruption, fraud, bribery and other irregularities for the financial reporting period 2020-21 and includes the period up to the approval of the financial statements by the Corporate Board in October 2021.

The following principles and associated practices of internal control have been applied:

- a. The process of identifying and managing risk is linked to ICMP achieving its objectives through a well-developed risk management register process which ensures that strategic, financial, compliance, reputational, operational and capital project risks are continuously reviewed and formally reported quarterly. The Corporate Board has ultimate oversight of the process with the operational responsibility resting with the Executive Committee. This review process informs ICMP's strategic and operational planning.
- b. The approach to internal control is risk-based, and ICMP regularly and systematically evaluates both the likelihood and the impact of risks becoming a reality against clear and standardised measures. All of ICMP's risk registers record likelihood, impact, early warning indicators, actions to mitigate, and identify the individual responsible for these actions. Risk registers are reviewed at all levels of the business quarterly and ultimately are reviewed by the Executive Committee and Corporate Board. The Audit Committee monitors and assesses the efficacy of this process and uses the risk registers to inform and guide the work of the Internal Audit Group.
- c. ICMP's risk registers identify strategic, financial, compliance, reputational, operational and capital project risks and therefore cover business, operational and compliance risk as well as financial risk at both operational and strategic levels.
- d. Risk assessment and internal control are clearly embedded in ongoing operations as referred to above, consolidated through the quarterly review process.
- e. The Corporate Board, being ICMP's ultimate governing body, receives quarterly reports on internal control from the Audit Committee. This committee has oversight of the risk management framework that is in place, its operational efficacy, and guides the work of the Internal Audit Group. The Corporate Board therefore has the requisite information to challenge the Executive Committee.
- f. Through the quarterly review of risk registers by the Executive Committee, the principal results of risk identification, risk evaluation and the management review of the effectiveness of the arrangements are reported to the Corporate Board.
- g. Through its published 'Terms of Reference', the 'Code of Governance' and the above 'Statement of Primary Responsibilities' the Corporate Board acknowledges its responsibilities for ensuring that a sound system of internal control is maintained, which is reviewed regularly for its effectiveness.
- h. There are no significant internal control weaknesses or failures that have arisen during the financial year or after the year end but before the financial statements were signed.
- i. ICMP maintains a constructive relationship with its external auditors to ensure appropriate review, challenge and support in ensuring its internal control procedures and delivery of value for money are strong and continually developing. The appointment of external auditors is subject to periodic review and approval by the Audit Committee to ensure an objective and independent relationship is maintained. Alongside, the activity of ICMP's Internal Audit Group is directed by the Audit Committee to meet the specific objectives of strengthening internal control, achieving value for money and meeting the organisation's strategic aims.



## ICMP MANAGEMENT LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

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#### Financial key performance indicators and Assessment of Going Concern

The challenges of the pandemic have inevitably impacted on trading performance during 2020/21. From the outset of the crisis, the senior leadership team was clear that we would do whatever it took to ensure continuity of our business model and acted swiftly to ensure financial sustainability by securing a Coronavirus Business Interruption Loan (CBIL). We made decisions not to undertake radical changes to our business model that could have unsettled staff and students and put future strategic goals in jeopardy. As a result, we were able to continue with key strategic investments in staff and infrastructure during the year, for example the complete rebuild of the Registry function that is critical now we have our own Degree Awarding Powers, and the investment in a new facility at nearby Queen's Park which facilitates future growth. All of this resulted in student numbers and turnover increasing by 0.5% and 13.9% respectively. EBITDA was however impacted negatively compared to prior year (-82%) as a result of decisions to invest significantly in supporting staff and students during the pandemic while continuing with our longer-term strategic plans and investments in staff and infrastructure.

The balance sheet has seen considerable change as a result of the decision to take significant loans during the pandemic to safeguard the business combined with reduced trading margins. These loans are favourable in terms of costs but have impacted negatively on key balance sheet ratios in the short term with borrowing as a percentage of income 11.9% higher than prior year and liquidity ratios becoming less favourable. However, the next three years will see a return to a more favourable balance sheet position as we continue to grow the business and return trading margins to healthy levels. Crucially, cash has continued to be well-managed, and liquidity is projected to progressively strengthen going forward with no risks to the ability of the business to comfortably meet its future obligations.

The finance team continues to provide relevant and timely information to budget holders, analysis to senior management decision makers and a continuously improving approach to credit control. This has enabled the management team to properly plan ahead and maintain all planned strategic investments and other business developments such as new course development, which will enable enhanced recruitment and hence growth in turnover going forward. Specifically, the team oversees a budget model with regular reviews, consisting of two years of detailed projections and a further three years of more general assumptions. This model is subject to regular stress testing to ensure decisions that are made do not impact the current or future financial sustainability of the business. Forecasts are monitored using a series of financial 'key performance indicators' and are reviewed quarterly by senior executives and the Corporate Board in alignment with planned strategic decisions and the ongoing commercial position. As part of ICMP's consideration of the appropriateness of adopting the going concern basis in preparing the financial statements, the following have been prepared and reviewed:

- A high-level forecast of income, expenditure and cash flows for the period to 31 May 2025.
- A review of debt covenants based on the forecasts for the five-year period from the balance sheet date, to ensure that these will not be breached under even worst-case scenarios.
- Stress testing of strategic commitments that have been made during the 12 months to May 2021 against the 5-year plan for financial sustainability. These have been reviewed and agreed by the Corporate Board and the Senior Executive Team and include our commitments to the acquisition of lease on the new Queen's Park site and our investments in response to the pandemic.

As a result, we are satisfied that there is sufficient liquidity and financial sustainability remains strong to enable continuity of operations for the foreseeable future. We have robust systems in place that allow us to identify any issues or concerns well in advance and enforce any required mitigating actions. We also have the ability to hold back planned capital projects as a mitigation to uncertainty. ICMP's Corporate Board therefore has a reasonable expectation that ICMP has adequate resources to continue to operate for the foreseeable future and will have sufficient funds to meet its liabilities as they fall due over a period of at least 12 months from the date of approval of these financial statements. These financial statements have therefore been prepared on a going concern basis.

**ICMP MANAGEMENT LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MAY 2021**

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This report was approved by the Board and signed on its behalf.

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**D M Baker**  
**Chair**

Date: 10 November 2021



## ICMP MANAGEMENT LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2021

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The directors present their report and the financial statements for the year ended 31 May 2021.

#### Results and dividends

The loss for the year, after taxation, amounted to £184,482 (2020 -profit £550,370).

During the year no dividends were paid on the Ordinary shares (2020: £40,114). On 26 January 2021 an interim dividend of £255,331 was declared on the Preference shares and this dividend is due for payment on or before 31 May 2024.

#### Directors

The directors who served during the year were:

A P Kirkham  
P M Whittard  
S Vahidy (resigned 31 August 2020)  
R T Stockwell  
M Day  
A C Harris  
D M Baker  
J C King  
J Marzano

#### Principal risks and uncertainties

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

The Company has been affected by the worldwide impact of the pandemic caused by the coronavirus (COVID-19). The Board of Directors regard this as a significant risk and therefore in the strategic report disclose the risks that the company is currently exposed to and the factors that they are taking into account to mitigate these risks.

The sound financial planning and measures put in place by the management team have ensured that the Company is in a reasonable financial and operating position to cope with the immediate effects of the pandemic but it is appreciated that longer term planning considerations are also required. The impact of factors resulting from the virus are ongoing and not knowing how long this situation will go on represents a material uncertainty. The Board of Directors set out their considerations regarding going concern in Note 2.2.

## ICMP MANAGEMENT LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

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#### Future developments

A new strategic plan is currently being completed, which will be finalised and launched by the end of 2021. This plan will build on recent strategic successes and set the direction for the next phase of growth and development of the institution. Having been granted the power to award our own degrees from 2022, our aim is to create a fully-fledged University with true global reach. We will develop an enhanced range of course choices for our students, effectively utilising current and future technology while retaining our core values of personalised contact and engagement and with in-built growth opportunities. We call this a 'University for the future'.

Significant focus for the new plan period will continue to be applied to internal stability and progress. Consolidation and continued development of demand for ICMP's core provision and meeting our regulatory obligations by delivering against expectations are of course key. However, we believe that the future of HE will be different to the past and as such ICMP aspires to be a leader in terms of creating a more diverse portfolio of traditional and new courses, delivered through both digital and face to face channels in ways that afford the best range of choice, value and convenience to students while retaining the highest quality and standards. The recent pandemic, combined with rapid technological development and societal change, has highlighted and accelerated a number of opportunities for agile and forward-thinking HE providers such as ICMP and we will therefore be looking to build a new model of HE delivery while ensuring continued institutional growth and sustainability.

In particular ICMP will continue to focus on the development of our estates, with the addition of new state-of-the-art, purpose-built studios and a performance venue at our Queen's Park Campus ('QPC'). Once completed, this space will be available to all of our students for both teaching and private practice and rehearsal to ensure that they can benefit fully from the investment. Across both campuses however we will be further developing and enhancing all our facilities for teaching and learning, focusing in particular on technical provision at levels 4 and 5 (including part-time provision) and part-time and flexible study to support our access and participation plan in enhancing opportunities for students who might otherwise have difficulty participating. We will also be further developing our IT Infrastructure, including improvements to core IT systems to deliver efficiencies and improved effectiveness of new student systems, a new lecture capture system to support all students in studying when and where works best for them, and the implementation of middleware to provide integration and improved data flows and maximise the interoperability of new IT systems. And in terms of portfolio development we will continue to develop and expand our range of courses, through both digital and face to face channels, providing an enhanced range of choices for students and maximising their opportunities to achieve outstanding graduate outcomes.

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

#### Auditors

The auditors, Venthams, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**ICMP MANAGEMENT LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MAY 2021**

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This report was approved by the Board and signed on its behalf.

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**D M Baker**  
Chair

Date: 10 November 2021

## **ICMP MANAGEMENT LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MAY 2021**

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The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are 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;
- 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 to 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.

## ICMP MANAGEMENT LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICMP MANAGEMENT LIMITED

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#### Opinion

We have audited the financial statements of ICMP Management Limited (the 'Company') for the year ended 31 May 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related 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 31 May 2021 and of its loss 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 Auditors' 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 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 Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## ICMP MANAGEMENT LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICMP MANAGEMENT LIMITED (CONTINUED)

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#### **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 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 have 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 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 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 set out on page 11, 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.



## ICMP MANAGEMENT LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICMP MANAGEMENT LIMITED (CONTINUED)

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#### **Auditors' 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 Auditors' 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:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, the Office for Students accounts direction, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include health and safety legislation and the Office for Students regulation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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 Auditors' Report.

**ICMP MANAGEMENT LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICMP MANAGEMENT LIMITED  
(CONTINUED)**

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**Opinions on other matters prescribed in the Office for Students accounts direction**

In our opinion, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- funds provided by the Higher Education Funding Council for England, the Office for Students and Research England have been applied in accordance with the relevant terms and conditions; and any other terms and conditions attached to them;
- the requirements of the Office for Students accounts direction have been met;
- the Company's expenditure on access and participation activities for the year has not been materially misstated.

**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 and the Office for Students accounts direction. 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.

Mark Taylor (Senior statutory auditor)

for and on behalf of

**Venthams**

Chartered Accountants  
Statutory Auditor

51 Lincoln's Inn Fields  
London  
WC2A 3NA

10 November 2021

**ICMP MANAGEMENT LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2021**

	Note	2021 £	2020 £
Turnover	4	8,909,815	7,825,190
Cost of sales		<b>(3,536,932)</b>	<b>(2,504,991)</b>
<b>Gross profit</b>		<b>5,372,883</b>	<b>5,320,199</b>
Administrative expenses		<b>(5,573,113)</b>	<b>(4,423,282)</b>
Other operating income	5	103,830	12,893
<b>Operating (loss)/profit</b>	7	<b>(96,400)</b>	<b>909,810</b>
Amounts written off investments		-	(100,000)
Interest receivable and similar income		1,943	1,457
Interest payable and similar expenses	12	<b>(114,456)</b>	<b>(95,598)</b>
<b>(Loss)/profit before tax</b>		<b>(208,913)</b>	<b>715,669</b>
Tax on (loss)/profit	14	24,431	(165,299)
<b>(Loss)/profit for the financial year</b>		<b>(184,482)</b>	<b>550,370</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>		<b>(184,482)</b>	<b>550,370</b>

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

**BALANCE SHEET**  
**AS AT 31 MAY 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	16	95,852	163,095
Tangible assets	17	1,954,887	1,507,141
Investments	18	475	970
		<u>2,051,214</u>	<u>1,671,206</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	19	1,136,561	972,736
Cash at bank and in hand	20	2,908,297	2,974,965
		<u>4,044,858</u>	<u>3,947,701</u>
Creditors: amounts falling due within one year	21	<u>(2,668,990)</u>	<u>(1,853,307)</u>
<b>Net current assets</b>		<b>1,375,868</b>	<b>2,094,394</b>
<b>Total assets less current liabilities</b>		<b>3,427,082</b>	<b>3,765,600</b>
Creditors: amounts falling due after more than one year	22	<b>(2,095,898)</b>	<b>(2,027,681)</b>
<b>Provisions for liabilities</b>			
Deferred tax	25	<b>(138,650)</b>	<b>(123,261)</b>
Other provisions	27	<b>(11,160)</b>	<b>-</b>
		<u><b>(149,810)</b></u>	<u><b>(123,261)</b></u>
<b>Net assets</b>		<b>1,181,374</b>	<b>1,614,658</b>
<b>Capital and reserves</b>			
Called up share capital		<b>10,918</b>	<b>259,720</b>
Share premium account	28	<b>127,105</b>	<b>127,105</b>
Capital redemption reserve	28	<b>248,802</b>	<b>-</b>
Profit and loss account	28	<b>794,549</b>	<b>1,227,833</b>
		<u><b>1,181,374</b></u>	<u><b>1,614,658</b></u>

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

.....  
**D M Baker**  
Chair

Date: 10 November 2021

**ICMP MANAGEMENT LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2021**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 June 2019</b>	<b>259,720</b>	<b>127,105</b>	-	<b>717,577</b>	<b>1,104,402</b>
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	<b>550,370</b>	<b>550,370</b>
Dividends: Equity capital	-	-	-	<b>(40,114)</b>	<b>(40,114)</b>
<b>At 1 June 2020</b>	<b>259,720</b>	<b>127,105</b>	-	<b>1,227,833</b>	<b>1,614,658</b>
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	<b>(184,482)</b>	<b>(184,482)</b>
Purchase of own shares	-	-	<b>248,802</b>	-	<b>248,802</b>
Shares redeemed during the year	<b>(248,802)</b>	-	-	-	<b>(248,802)</b>
Transfer to/from profit and loss account	-	-	-	<b>(248,802)</b>	<b>(248,802)</b>
<b>At 31 May 2021</b>	<b>10,918</b>	<b>127,105</b>	<b>248,802</b>	<b>794,549</b>	<b>1,181,374</b>

ICMP MANAGEMENT LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MAY 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(184,482)	550,370
<b>Adjustments for:</b>		
Amortisation of intangible assets	67,243	67,241
Depreciation of tangible assets	212,197	158,192
Loss on disposal of tangible assets	(1,550)	(2,532)
Government grants	(103,830)	(12,893)
Interest paid	114,456	95,598
Interest received	(1,943)	(1,457)
Taxation charge	(24,431)	165,299
Decrease in stocks	-	1,276
(Increase) in debtors	(112,153)	(272,169)
(Increase)/decrease in amounts owed by groups	(11,852)	95,411
Increase in creditors	461,250	58,371
Increase in provisions	11,160	-
Corporation tax (paid)	(120,519)	(115,345)
<b>Net cash generated from operating activities</b>	<b>305,546</b>	<b>787,362</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(659,943)	(295,794)
Sale of tangible fixed assets	1,550	2,582
Government grants received	103,830	12,893
Sale of fixed asset investments	495	-
Interest received	1,943	1,457
HP interest paid	(53,418)	(52,543)
<b>Net cash from investing activities</b>	<b>(605,543)</b>	<b>(331,405)</b>
<b>Cash flows from financing activities</b>		
Purchase of preference shares	(248,802)	-
New secured loans	492,977	1,700,000
Repayment of/new finance leases	50,192	(3,727)
Dividends paid	-	(40,114)
Interest paid	(61,038)	(43,055)
<b>Net cash used in financing activities</b>	<b>233,329</b>	<b>1,613,104</b>

ICMP MANAGEMENT LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 MAY 2021

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	2021 £	2020 £
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(66,668)</b>	<b>2,069,061</b>
Cash and cash equivalents at beginning of year	<b>2,974,965</b>	<b>905,904</b>
<b>Cash and cash equivalents at the end of year</b>	<b>2,908,297</b>	<b>2,974,965</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<b>2,908,297</b>	<b>2,974,965</b>
	<b>2,908,297</b>	<b>2,974,965</b>

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ICMP MANAGEMENT LIMITED

ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MAY 2021

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	At 1 June 2020 £	Cash flows £	New finance leases £	At 31 May 2021 £
Cash at bank and in hand	2,974,965	(66,668)	-	2,908,297
Debt due after 1 year	(1,700,000)	(68,389)	-	(1,768,389)
Debt due within 1 year	-	(424,588)	-	(424,588)
Finance leases	(448,517)	134,042	(184,234)	(498,709)
	<u>826,448</u>	<u>(425,603)</u>	<u>(184,234)</u>	<u>216,611</u>



## ICMP MANAGEMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

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

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 (see note 3).

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 2019.41.

The following principal accounting policies have been applied:

##### 2.2 Exemption from preparing consolidated financial statements

The Company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are required to be excluded from consolidation by section 402 of the Companies Act 2006.

##### 2.3 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.

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.

##### 2.4 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. The following criteria must also be met before revenue is recognised:

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 2021

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#### 2. Accounting policies (continued)

##### 2.5 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.

##### 2.6 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 Comprehensive Income 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.

##### 2.7 Interest income

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

##### 2.8 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.

##### 2.9 Borrowing costs

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

##### 2.10 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.

## ICMP MANAGEMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

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## 2. Accounting policies (continued)

### 2.11 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.

### 2.12 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.

### 2.13 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.

### 2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.15 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

## ICMP MANAGEMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

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#### 2. Accounting policies (continued)

##### 2.16 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.

##### 2.17 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.

##### 2.18 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.

##### 2.19 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.

##### 2.20 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 Comprehensive Income.

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.

##### 2.21 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.

ICMP MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021

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

Estimates and judgments 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.

**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. Turnover**

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

	2021 £	2020 £
Sales - Full Time Courses	8,074,715	7,107,150
Sales - Non Accredited Learning	96,623	102,430
Other income	738,477	615,610
	<u>8,909,815</u>	<u>7,825,190</u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	2021 £	2020 £
Government grants receivable	103,830	12,893
	<u>103,830</u>	<u>12,893</u>

Government grants receivable are in relation to staff wages reclaimed through the HMRC Job Retention Scheme and Business Interruption Payments under the government assisted Coronavirus Business Interruptions Loan Scheme, both of which were set up in response to the Coronavirus pandemic.

**6. Grant and fee income**

	2021 £	2020 £
Grant income from the OfS	718,648	593,536
	<u>718,648</u>	<u>593,536</u>

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**7. Operating (loss)/profit**

The operating (loss)/profit is stated after charging:

	2021 £	2020 £
Admin - depreciation	279,441	225,433
Exchange differences	(1,550)	(2,532)
Other operating lease rentals	641,009	604,223
Defined contribution pension cost	51,017	40,792
	<b>279,441</b>	<b>225,433</b>

**8. Auditors' remuneration**

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	25,800	22,000
	<b>25,800</b>	<b>22,000</b>

**Fees payable to the Company's auditor and its associates in respect of:**

All other services	23,699	18,249
	<b>23,699</b>	<b>18,249</b>

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**9. Employees**

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	4,621,206	3,867,342
Social security costs	335,719	286,917
Cost of defined contribution scheme	51,017	40,792
	5,007,942	4,195,051
	5,007,942	4,195,051

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

	2021 No.	2020 No.
Directors	5	3
Administration	80	69
Temp staff	18	10
Teaching staff	55	24
	158	106
	158	106

**10. Directors' remuneration**

	2021 £	2020 £
Directors' emoluments	544,404	360,679
Company contributions to defined contribution pension schemes	2,739	2,008
	547,143	362,687
	547,143	362,687

During the year retirement benefits were accruing to 3 directors (2020 -3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £156,282 (2020 -£150,309).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2020 -£NIL).

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**11. Senior staff pay**

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

	<b>2021</b>	<i>2020</i>
	£	£
Basic salary	<b>144,449</b>	<i>140,503</i>
Dividends	-	<i>36,700</i>
Benefits in Kind (Health insurance)	<b>11,833</b>	<i>9,806</i>
	<b>156,282</b>	<i>187,009</i>

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 4.7 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>2021</b>	<i>2020</i>
	£	£
£100,000 - £104,999	<b>1</b>	<i>-</i>
£140,000 - £144,999	<b>1</b>	<i>1</i>
	<b>2</b>	<i>1</i>

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



ICMP MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021

12. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	30,314	5,722
Other loan interest payable	30,000	37,333
Finance leases and hire purchase contracts	53,418	52,543
Other interest payable	724	-
	<u>114,456</u>	<u>95,598</u>

13. Access and Participation

	2021 £
Access Investment	96,368
Financial Support	188,080
Disability Support	4,352
Research and Evaluation	20,500
	<u>309,300</u>

Included within Access Investment is £67,014 in relation to wages and salaries.

The access and participation plan which has been approved by the Office for Students can be found at <https://www.icmp.ac.uk/sites/default/files/new/Governance/access-participation-plan-21-24.pdf>

ICMP MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021

14. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	(39,820)	120,519
Adjustments in respect of previous periods	-	2,852
<b>Deferred tax</b>		
Origination and reversal of timing differences	15,389	41,928
<b>Total deferred tax</b>	<b>15,389</b>	<b>41,928</b>
<b>Taxation on (loss)/profit on ordinary activities</b>	<b>(24,431)</b>	<b>165,299</b>

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 £
(Loss)/profit on ordinary activities before tax	(208,913)	715,669
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 -19%)	(39,693)	135,977
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(10,684)	3,049
Capital allowances for year in excess of depreciation	25,946	24,153
Adjustments to tax charge in respect of prior periods	-	2,852
Group relief	-	(732)
<b>Total tax charge for the year</b>	<b>(24,431)</b>	<b>165,299</b>

**Factors that may affect future tax charges**

The taxation rate is expected to remain at 19% until 1 April 2023 when it is expected to rise to 25% for profits over £250,000.

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**15. Dividends**

	<b>2021</b>	<b>2020</b>
	£	£
Ordinary dividends	-	40,114
	-	40,114
	-	40,114

On 26 January 2021 an interim dividend of £255,331 was declared on the Preference shares and this dividend is due for payment on or before 31 May 2024.

**16. Intangible assets**

	<b>Goodwill</b>
	£
<b>Cost</b>	
At 1 June 2020	1,264,277
At 31 May 2021	1,264,277
<b>Amortisation</b>	
At 1 June 2020	1,101,182
Charge for the year on owned assets	67,243
At 31 May 2021	1,168,425
<b>Net book value</b>	
At 31 May 2021	95,852
At 31 May 2020	163,095

ICMP MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021

17. Tangible fixed assets

	S/Term Leasehold Property £	Fixtures & fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 June 2020	1,857,534	161,913	621,443	2,640,890
Additions	456,439	32,937	170,567	659,943
At 31 May 2021	<u>2,313,973</u>	<u>194,850</u>	<u>792,010</u>	<u>3,300,833</u>
<b>Depreciation</b>				
At 1 June 2020	585,972	78,164	469,613	1,133,749
Charge for the year on owned assets	120,182	16,291	75,724	212,197
At 31 May 2021	<u>706,154</u>	<u>94,455</u>	<u>545,337</u>	<u>1,345,946</u>
<b>Net book value</b>				
At 31 May 2021	<u>1,607,819</u>	<u>100,395</u>	<u>246,673</u>	<u>1,954,887</u>
At 31 May 2020	<u>1,271,562</u>	<u>83,749</u>	<u>151,830</u>	<u>1,507,141</u>

18. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Total £
<b>Cost or valuation</b>			
At 1 June 2020	970	-	970
Disposals	(495)	-	(495)
Transfer between classes	(475)	475	-
At 31 May 2021	<u>-</u>	<u>475</u>	<u>475</u>

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**19. Debtors**

	<b>2021</b>	<b>2020</b>
	£	£
Trade debtors	425,944	344,963
Amounts owed by group undertakings	143,954	132,102
Other debtors	76,340	10,649
Prepayments and accrued income	490,323	485,022
	<b>1,136,561</b>	<b>972,736</b>
	<b>1,136,561</b>	<b>972,736</b>

**20. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	£	£
Cash at bank and in hand	2,908,297	2,974,965
	<b>2,908,297</b>	<b>2,974,965</b>
	<b>2,908,297</b>	<b>2,974,965</b>

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

	<b>2021</b>	<b>2020</b>
	£	£
Bank loans	424,588	-
Trade creditors	524,086	516,298
Taxation and social security	110,175	223,454
Obligations under finance lease and hire purchase contracts	171,200	120,836
Other creditors	481,807	422,148
Accruals and deferred income	957,134	570,571
	<b>2,668,990</b>	<b>1,853,307</b>
	<b>2,668,990</b>	<b>1,853,307</b>

ICMP MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021

22. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	1,768,389	1,700,000
Net obligations under finance leases and hire purchase contracts	327,509	327,681
	<u>2,095,898</u>	<u>2,027,681</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.

23. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Bank loans	424,588	-
<b>Amounts falling due 1-2 years</b>		
Bank loans	432,118	340,000
<b>Amounts falling due 2-5 years</b>		
Bank loans	1,336,271	1,020,000
<b>Amounts falling due after more than 5 years</b>		
Bank loans	-	340,000
	<u>2,192,977</u>	<u>1,700,000</u>

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	216,604	161,164
Between 1-5 years	382,478	367,734
	<u>599,082</u>	<u>528,898</u>

ICMP MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021

25. Deferred taxation

	2021 £
At beginning of year	(123,261)
Charged to profit or loss	(15,389)
<b>At end of year</b>	<b>(138,650)</b>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(138,650)	(123,261)
	<b>(138,650)</b>	<b>(123,261)</b>

26. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
10,918 (2020 -10,918) Ordinary shares of £1.00 each	10,918	10,918
0 (2020 -248,802) Preference shares of £1.00 each	-	248,802
	<b>10,918</b>	<b>259,720</b>

27. Provisions

	Laptop lease £
Charged to profit or loss	11,160
<b>At 31 May 2021</b>	<b>11,160</b>

As a result of the COVID-19 pandemic laptops were leased to enable students to continue studies, the provision is to cover the cost to the lease company for laptops not returned.

**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**28. Reserves**

**Share premium account**

Share premium represents the excess of proceeds received over the nominal value of new shares issued.

**Capital redemption reserve**

Capital redemption reserve represents a non distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares.

**Profit & loss account**

All reserves in respect of profit and loss are distributable reserves.

**29. 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 £51,017 (2020: £40,792). Contributions totalling £15,302 (2020: £22,283) were payable to the fund at the balance sheet date and are included in creditors.

**30. Commitments under operating leases**

At 31 May 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2021</b>	<b>2020</b>
	£	£
<b>Land and Buildings</b>		
Not later than 1 year	<b>547,805</b>	460,305
Later than 1 year and not later than 5 years	<b>3,188,264</b>	1,832,286
Later than 5 years	<b>7,133,285</b>	3,976,500
	<b>10,869,354</b>	6,269,091
	<b>10,869,354</b>	6,269,091
	<b>2021</b>	<b>2020</b>
	£	£
<b>Equipment</b>		
Not later than 1 year	<b>160,729</b>	144,201
Later than 1 year and not later than 5 years	<b>176,351</b>	244,994
	<b>337,080</b>	389,195
	<b>337,080</b>	389,195



**ICMP MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

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**31. Related party transactions**

At the balance sheet date £143,954 (2020: £132,102) was owed from ICMP Online Limited, an associate company.

**32. Controlling party**

The ultimate controlling party is Mr A P Kirkham by virtue of his majority shareholding.

**ICMP MANAGEMENT LIMITED**  
**DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MAY 2021**

**ICMP MANAGEMENT LIMITED**

**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2021**

	Note	2021 £	2020 £
Turnover		8,909,815	7,825,190
Cost of sales		(3,536,932)	(2,504,991)
<b>Gross profit</b>		<u>5,372,883</u>	<u>5,320,199</u>
<b>Gross profit %</b>		60.3 %	68.0 %
Other operating income		<u>103,830</u>	<u>12,893</u>
<b>Less: overheads</b>			
Administration expenses		(5,573,113)	(4,423,282)
<b>Operating (loss)/profit</b>		<u>(96,400)</u>	<u>909,810</u>
Interest receivable		1,943	1,457
Interest payable		(114,456)	(95,598)
Investment income		-	(100,000)
Tax on (loss)/profit on ordinary activities		24,431	(165,299)
<b>(Loss)/Profit for the year</b>		<u><u>(184,482)</u></u>	<u><u>550,370</u></u>

**ICMP MANAGEMENT LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2021**

	<b>2021</b>	<i>2020</i>
	£	£
<b>Turnover</b>		
Sales - Full Time Courses	<b>8,074,715</b>	<i>7,107,150</i>
Sales - Non Accredited Learning	<b>96,623</b>	<i>102,430</i>
Other income	<b>738,477</b>	<i>615,610</i>
	<b>8,909,815</b>	<i>7,825,190</i>
	<b>2021</b>	<i>2020</i>
	£	£
<b>Cost of sales</b>		
Opening stocks	-	<i>1,276</i>
Teaching materials	<b>1,076,261</b>	<i>518,253</i>
Teaching staff	<b>1,858,700</b>	<i>1,582,042</i>
National insurance	<b>63,777</b>	<i>59,508</i>
CoS staff pens costs - money purchase schemes	<b>10,040</b>	<i>8,855</i>
Sales commissions	<b>1,650</b>	<i>22,440</i>
Advertising	<b>526,504</b>	<i>312,617</i>
	<b>3,536,932</b>	<i>2,504,991</i>
	<b>2021</b>	<i>2020</i>
	£	£
<b>Other operating income</b>		
Government grants receivable	<b>103,830</b>	<i>12,893</i>
	<b>103,830</b>	<i>12,893</i>

**ICMP MANAGEMENT LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2021**

	2021 £	2020 £
<b>Administration expenses</b>		
Directors salaries	532,093	350,394
Directors private health insurance	12,311	10,285
Directors pension costs - defined contribion sch	2,739	2,008
Staff salaries	2,218,102	1,924,621
Staff private health insurance	9,641	7,916
Staff national insurance	271,942	227,409
Staff pension costs - money purchase schemes	38,239	29,929
Staff training	25,902	8,702
Staff welfare	8,038	9,659
Entertainment	1,832	5,396
Hotels, travel and subsistence	25,956	29,121
Printing, postage and stationery	7,994	8,752
Telephone and fax	45,360	42,973
Computer costs	174,908	82,728
Charity donations	2,033	1,092
Legal and professional	299,753	145,140
Auditors' remuneration	25,800	22,000
Auditors' remuneration - non-audit	23,699	18,249
Equipment hire	227,526	171,093
Bank charges	14,436	18,458
Bad debts	228,256	104,040
Sundry expenses	3,086	5,015
Rent - operating leases	641,009	604,223
Rates	137,695	108,593
Light and heat	43,839	44,695
Cleaning	64,927	50,242
Insurances	36,349	34,506
Repairs and maintenance	93,749	62,340
Depreciation - office equipment	75,724	36,335
Depreciation - fixtures & fittings	16,291	11,876
Amortisation - intangible fixed assets	67,243	67,241
Depreciation - leasehold property	120,182	109,981
Profit/loss on sale of tangible assets	(1,550)	(2,532)
Miscellaneous expenses	78,009	70,802
	<b>5,573,113</b>	<b>4,423,282</b>

**ICMP MANAGEMENT LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2021**

	<b>2021</b>	<i>2020</i>
	£	£
<b>Interest receivable</b>		
Other interest receivable	<b>1,943</b>	<i>1,457</i>
	<u><b>1,943</b></u>	<u><i>1,457</i></u>
	<u><u><b>1,943</b></u></u>	<u><u><i>1,457</i></u></u>
	<b>2021</b>	<i>2020</i>
	£	£
<b>Interest payable</b>		
Bank overdraft interest payable	<b>1,504</b>	<i>5,722</i>
Bank loan interest payable	<b>28,810</b>	<i>-</i>
Other loan interest payable	<b>30,000</b>	<i>37,333</i>
Other interest - on overdue tax	<b>724</b>	<i>-</i>
Hire purchase interest payable	<b>53,418</b>	<i>52,543</i>
	<u><b>114,456</b></u>	<u><i>95,598</i></u>
	<u><u><b>114,456</b></u></u>	<u><u><i>95,598</i></u></u>
	<b>2021</b>	<i>2020</i>
	£	£
<b>Investment income</b>		
Amounts w/o loans in grp undertakings	<b>-</b>	<i>(100,000)</i>
	<u><b>-</b></u>	<u><i>(100,000)</i></u>
	<u><u><b>-</b></u></u>	<u><u><i>(100,000)</i></u></u>