EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales · Charity number 1042523

Details

Other names	BRITISH-GERMAN SCHOOL FOR VOCATIONAL TRAINING, EUROPEAN VOCATIONAL COLLEGE
Status	Registered
Legal form	Charitable company
Company number	02198970
Registered	1994-12-01
Register	View on the Charity Commission register

Contact

Address	European College Of Business And Management 69-71 Great Eastern Street London EC2A 3HU
Phone	02077495930
Email	info@eurocollege.org.uk
Website	www.eurocollege.org.uk

Activities

Objects: THE ADVANCEMENT OF EDUCATION, ESPECIALLY IN BUSINESS STUDIES, AND TRAINING FOR EMPLOYMENT.

Activities: Education and training courses

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** The General Public/mankind

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Geography

- Germany
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,148,885	£1,483,303	£3,325,856	15
2024-08-31	£971,267	£1,284,548	£3,660,274	14
2023-08-31	£1,297,226	£1,503,062	£1,177,069	13
2022-08-31	£818,086	£1,111,822	£1,382,905	15
2021-08-31	£937,576	£1,074,505	£1,676,641	17
2020-08-31	£1,306,472	£1,626,358	£1,849,437	18

Trustees

Name	Role	Appointed
Dr ULRICH EGBERT HELMUT ALF HOPPE	Chair	
Ina Redemann		2016-03-21

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales - Charity number 1042523

Accounts

Registered number: 2198970
Charity number: 1042523

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2025

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee)

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 AUGUST 2025

Trustees	Dr U Hoppe I Redemann Dr E Thorne
Company registered number	2198970
Charity registered number	1042523
Registered office	69-71 Great Eastern Street London EC2A 3HU
Principal Operating Officer	R Bills (Resigned on 15th October 2024) C Heming (Appointed 15th October 2024)
Independent auditors	Lubbock Fine LLP Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Barclays Bank plc PO Box No 4578 155 Brompton Road London SW3 1XD Commerzbank 40300 Dusseldorf Germany

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report, which includes the director's report, together with the audited financial statements of the Charity for the year from 1 September 2024 to 31 August 2025. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Trustees

The Trustees who served the charity during the year were as follows:

- Dr U Hoppe
- I Redemann
- Dr E Thorne

Objectives and Activities

The Charity's founding aims and objectives remain unchanged, and are the advancement of business education linked to training for employment. This increases employability and the development of future skills as required by the changing business and economic landscape.

The Charity, has three core values: Value, Equity & Inclusion and Impact. It aims to support the professional and personal development of individuals who seek to improve their education and higher skills levels in business, whilst working. It offers flexible, vocational and higher education programmes as well as a corporate vocational training programme. The strategies for achieving the Charity's aims and objectives includes developing education and vocational programmes that enable individuals to study whilst continuing in their careers and/or gaining experience at work. The Charity provides life-long learning opportunities through its business vocational training and Higher Education Bachelor undergraduate programmes (levels 4,5 and 6) and offers pathways to further study at Masters and Doctoral levels. Furthermore, it develops and delivers customised training for non-traditional students already, working to support their leadership development. A core element of the Charity's strategy is inclusion and it is committed to providing financial scholarships to ensure students are not disadvantaged out of lack of financial means or other reasons, which might otherwise prevent them from benefiting from the educational activities provided.

With an industry-led approach and long-standing relationships with employers such as Commerzbank, Bank of New York and Newton Asset Management, the Charity operates the Higher Education Vocational Traineeship scheme. In 2024-25 the number of young people recruited on to this programme was 16 students in years one and two of the programme, 13 continued onto their Bachelor (Top Up).

For the 2025-2026 academic year, there will be fewer recruits to the programme and therefore fewer on programme overall (11 students) but almost a 100% increase in those going on to the Bachelor Top-Up phase (12 students). This evidences a continued healthy record of student numbers on the programme in recent years, and the scheme remains a stable offering. This programme opens up the possibility of a career in the financial services sector to people who would not necessarily have considered such an option (and increasingly do not have the financial means to pursue a full time, higher education degree). It also provides a way to increase Equity, Diversity and Inclusion into the finance sector as it provides learning and training opportunities for local people, and ethnically diverse staff, who are evidently under-represented in the financial services industry in the City of London. This programme activity aims to address this imbalance.

The Charity also provides subsidised international business education for students who take part in short courses, Professional Development Programmes, which enhance their understanding of cross-cultural issues, English language skills and increases their international business knowledge and skills, which is of growing importance for the country in these economically challenging times. The Charity seeks, through its programmes, to develop wider cultural and business knowledge and awareness by providing young people, and talent within business, with the education and skills to compete globally. The Charity continues to offer this opportunity through its official branch in Dublin. There is increased demand for these courses and we are hoping for continued increase in recruitment in the coming academic and financial year.

	2024-25	2023-24
Total Groups	23	19
Total Students	464	426

New Clients: Fürstenfeldbruck (14 students) and Mühldorf (12 students)

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Performance

Demand for the Charity's programmes (HND/CML/Bachelor/ Postgraduate programmes, and PDPs [Professional Development Programmes]) has stabilised, with numbers of new students increasing in comparison to the previous year (2023-24).

Growth is most notable with the Postgraduate programmes, where it has increased by 20% from the previous year. The undergraduate programmes have also seen a modest increase of 8%, whilst the foundation level has seen a decrease of 19% due to fewer recruits, from the corporates, on the HND programmes for 2024-25.

	2024-25	2023-24
Foundation programmes (CML/HND)	35 students	43 students
Bachelors (inc. Corporate employer partners)	78 students	72 students
Postgraduates	30 students	25 students

The Charity has increased its tuition fees for the Bachelors programmes from Spring 2025 to reflect UK university fee level increases. Scholarships are now widely awarded to provide access to the programmes.

The Charity has introduced two new courses to strengthen its academic provision and meet the needs of new demand from students for online learning. A new foundation-level course, online (HN Flex) has been introduced in Spring 2025, following the discontinuation of the CML programme, to allow more students to progress to the Undergraduate courses. In addition, a fully online Bachelors programme has been introduced to increase accessibility and tap into new student markets, particularly those seeking flexible learning options. These initiatives align with the Charity's values and objectives.

There have been higher costs due to inflation and external rent, and this is still reflected in the financial figures. However, the Charity remains in a solvent and viable position. The Charity had completed the sale of its London premises, releasing capital to support the continued, future viability and sustainable expansion of the Charity's services.

The Charity now benefits from a strong reserve as a result of the sale of the building and it now looks to consolidate its position.

During the year, the Charity incurred several one-off costs linked to strategic initiatives. These included a comprehensive rebranding campaign, a targeted recruitment drive and investments in technological infrastructure (including the upgrade of digital learning platforms, website redevelopment and new systems such as Xero and PipeDrive).

Staffing adjustments were made to align resources with programme delivery needs. A new management position was filled to oversee our Professional Development Programmes in Dublin. Conversely, one teaching position was made redundant following a review of teaching requirements and student demand in London. These changes reflect the Charity's ongoing commitment to operational efficiency whilst maintaining high standards of academic delivery.

Financial Review

The Charity recorded a deficit of £334,418 in the financial year ending 31 August 2025 (2024 - surplus of £2,483,205).

Total funds held by the Charity as of 31 August 2025 are £3,325,856 (2024 - £3,660,274). The charity does not hold any restricted funds and continues to be solvent.

In the pre-pandemic era, the Charity's reserves policy was to build up reserves equivalent to the value (historic costs) of its premises plus half the annual turnover. This has been an important policy, as it has enabled the Charity to maintain its operations during the financial difficulties caused by the pandemic.

After the sale of the property in the autumn of 2024, the cash reserves have been replenished. The reserve policy is currently being reviewed as the operational model of the ECBM is being adjusted over the course of the next 24 months. On completion of this process the reserves policy will be amended in light of the future operating model and depending on the future requirements in terms of premises.

The separate entity operating in Dublin (ECBM CLG) has finalised the liquidation process in August 2025, and its funds have been distributed to European College of Business and Management (total £48,266).

Plans for future periods

The outlook for 2025/26 is that the losses of the last financial year should be reduced and we are aiming for an improved position, although still predicting an operating deficit. The overall aim remains to ensure that the services of the Charity continue to be relevant and serve the needs of its beneficiaries, and we are confident that we can successfully do so.

As part of its ongoing strategic review, the Charity will discontinue a small number of underperforming courses/locations due to declining demand in these courses/locations. These changes are aimed at streamlining operations and reallocation of resources to areas of higher growth potential.

Discontinued courses/teaching locations are as follows: CML and its subsequent Top-Up courses in Spring (BA London/BA Germany), AML, BA Munich, BA Berlin, and MA Fashion.

In parallel, the College has introduced a new undergraduate degree programme the BSc International Business & Management with Liverpool John Moores, as well as new teaching location for the undergraduate programme (BSc Hamburg). The Charity plans to reintroduce the DSM/MBA due to increased demand. The DSM programme will now run two courses (one in Autumn, and one in Spring) to increase intakes, and the subsequent MBA programme will start in Autumn 2026-27.

Furthermore, the Charity is looking to develop and integrate Leadership and Management education courses (currently level 7) to support leadership training programmes delivered in-house by corporates such as Bosch and BMW. TD Bank Group has also indicated their interest in joining the Higher Education Vocational Traineeship scheme in 2026-2027.

As mentioned, the Charity has disposed of its property in Great Eastern Street and is now leasing the premises.

Structure, Governance and Management

The European College of Business and Management incorporated as a company limited by guarantee on 26 November 1987 and registered as a charity on 1 December 1994.

It is governed by its Memorandum and Articles of Association. There is a strong relationship between the charity and the German British Chamber of Industry and Commerce. The Chamber is one of the main supporters of the Charity and has common board members.

The appointment of trustees is regulated by the Charity's Memorandum and Articles of Association. The power of appointment of new trustees lies with the members and existing Board of Trustees. New trustees are recruited based on their attributes and the requirements of the Charity, and are familiarised with the work that the Charity undertakes through meetings and discussions with the Board of Trustees and other employees of the Charity.

The Board of Trustees meets regularly during the year but delegates the day-to-day running and management of the Charity to the Principal Operating Officer (who is the Director and CEO), who meets with the Chairman of the Board every month. Arrangements for setting pay and remuneration of key management personnel are decided upon by the Chairman and the Principal Operating Officer, and general policy is to increase staff remuneration to compensate for inflation plus a small incentive increase across the board.

The Board of Trustees regularly conducts a review of the major risks to which the Charity is exposed and has established appropriate systems to mitigate these risks.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

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

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

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

Date: 26/03/2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FOR THE YEAR ENDED 31 AUGUST 2025

Opinion

We have audited the financial statements of European College of Business and Management (the 'charity') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure 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 charitable 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 Trustees' 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 charitable 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 Trustees 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 Trustees 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.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit staff who have extensive experience of working with entities in similar sectors, and this experience was relevant to the discussion about where fraud risks may arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the Companies Act, the UK Charities Act, Charities SORP 2019 and the Higher Education SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included health and safety regulations, employment law and environmental regulations.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to fraud were in respect of revenue recognition and management override.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- performing proof in total to form an expectation of income and comparing to actual income and vouching a sample of students from intake lists to the general ledger to verify completeness of income;
- in addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Hazra Patel

Hazra Patel (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 17 April 2026

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Total funds 2025 £	Total funds 2024 £
INCOME			
Tuition fees and education contracts	2	1,000,172	893,531
Investment Income	3	100,447	75,563
Donations and legacies	4	48,266	2,173
TOTAL INCOME		1,148,885	971,267
EXPENDITURE			
Charitable activities:			
Staff costs	5	608,412	580,285
Other operating expenses	6	875,727	679,304
Depreciation		2,608	13,725
Interest and other finance costs	7	(4,431)	9,655
Loss on disposal of fixed assets		987	1,579
TOTAL EXPENDITURE		1,483,303	1,284,548
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED (LOSSES)/GAINS:		(334,418)	(313,281)
OTHER RECOGNISED GAINS/(LOSSES)			
Gains on revaluation of investment property		-	2,796,486
(DEFICIT)/SURPLUS FOR THE YEAR		(334,418)	2,483,205
RECONCILIATION OF RESERVES:			
Total reserves brought forward		3,660,274	1,177,069
Net movement in reserves		(334,418)	2,483,205
TOTAL RESERVES CARRIED FORWARD		3,325,856	3,660,274

The Statement of Comprehensive Income includes all gains and losses recognised in the year.

All income and expenditure in 2024 and 2025 related to unrestricted reserves.

All items of income and expenditure related to continuing activities.

The notes on pages 14 to 24 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee) **REGISTERED NUMBER: 2198970**

BALANCE SHEET

AS AT 31 AUGUST 2025

	Note		2025 £		2024 £
NON-CURRENT ASSETS					
Tangible fixed assets	9		8,958		12,093
Investment property	10		-		3,800,000
			8,958		3,812,093
CURRENT ASSETS					
Trade and other receivables	11	378,416		304,775	
Investments	12	2,750,000		-	
Cash and cash equivalents		1,066,966		244,869	
		4,195,382		549,644	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	(878,484)		(701,463)	
NET CURRENT ASSETS / LIABILITES			3,316,898		(151,819)
TOTAL ASSETS LESS CURRENT LIABILITIES			3,325,856		3,660,274
NET ASSETS			3,325,856		3,660,274
CHARITY RESERVES					
Unrestricted reserves	17		3,325,856		3,660,274
TOTAL RESERVES			3,325,856		3,660,274

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

I Redemann
Trustee

Date: 26/03/26

The notes on pages 14 to 24 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(252,005)	(381,439)
Cash flows from investing activities			
Investment income receivable		24,562	75,563
Purchase of tangible fixed assets		(460)	(10,556)
Proceeds from sale of investment property		3,800,000	-
Net cash provided by investing activities		3,824,102	65,007
Change in cash and cash equivalents in the year		3,572,097	(316,432)
Cash and cash equivalents at the beginning of the year		244,869	561,301
Cash and cash equivalents at the end of the year	20	3,816,966	244,869

The notes on pages 14 to 24 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice Accounting for Further and Higher Education (effective 1 January 2019) (FE/HE SORP 2019) and the Companies Act 2006. Where differences arise between the Charities SORP (FRS 102) and the FE/HE SORP 2019 the FE/HE SORP takes precedence.

European College of Business and Management meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is 69-71 Great Eastern Street, London, EC2A 3HU.

1.3 Reserves accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Course fees and related income, net of direct costs, are recognised in the period in which the course takes place.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure (continued)

Charitable activity costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Other operating expenses represent those costs incurred directly in support of expenditure on the objects of the Charity and include project management and costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Depreciation is provided on the following bases:

Equipment	- 20%/30% reducing balance/20% straight line
Property improvements	- 5% straight line

1.8 Investment property

Investment property is carried at fair value determined annually by the trustees and derived from the current open market, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

1.9 Currrent Asset Investments

Current asset investments consist of deposit accounts with maturity of more than 3 months but less than a year. Current asset investments are recognised at their transaction cost less impairment.

1.10 Trade and other receivables

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.15 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

2. ANALYSIS OF TUITION FEES AND EDUCATION CONTRACTS

	2025 £	2024 £
Course fees and related income	1,000,649	884,091
Discounts allowed	(477)	(332)
Other fees	-	1,155
Other Income	-	8,617
	1,000,172	893,531

3. INVESTMENT INCOME

	2025 £	2024 £
Bank interest receivable	93,271	3,741
Rental income	7,176	71,822
	100,447	75,563

4. INCOME FROM DONATIONS AND LEGACIES

	2025 £	2024 £
Donations and gifts in kind	48,266	2,173

5. STAFF COSTS

	2025 £	2024 £
Wages and salaries	531,274	513,176
Social security costs	58,371	51,163
Contribution to defined contribution pension schemes	18,767	15,946
	608,412	580,285

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Number of Lecturers	6	6
Number of Administrative staff	9	8
	15	14

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1

None of the Trustees received any remuneration, benefits in kind or reimbursement of expenses during the year (2024 - £nil).

Total remuneration paid to key management personnel was £137,626 (2024 - £120,355).

6. OTHER OPERATING EXPENSES

	2025 £	2024 £
Advertising	32,658	27,752
Computer costs	39,664	25,433
Accommodation	77,531	59,371
External rent, rates and water	216,914	135,549
Cleaning	7,951	25,337
Repairs and maintenance	7,234	20,819
Insurance	14,757	21,653
General expenses	6,778	6,268
Travel	54,152	46,920
Auditors remuneration	14,296	15,600
Consultancy	206,436	153,447
Telephone	10,248	14,889
Exam fees and associated costs	41,044	55,926
Printing, postage and stationery	9,618	18,130
Light and heat	1,836	11,923
Bad debts	-	10,633
Staff training	4,222	2,813
Legal and professional fees	114,026	12,288
Accountancy	16,362	14,553
	875,727	679,304

7. INTEREST AND OTHER FINANCE COSTS

	2025 £	2024 £
Bank charges	2,494	4,907
Foreign currency (gain)/loss	(6,925)	4,748
	(4,431)	9,655

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

	2025 £	2024 £
Auditors' remuneration - Audit	14,296	15,000
Auditors' remuneration - Other	-	600
Staff pension contributions	18,767	15,946
Depreciation	2,608	13,725
Exchange loss	(6,925)	4,748

9. TANGIBLE FIXED ASSETS

	Equipment £
Cost or valuation	
At 1 September 2024	60,506
Additions	460
Disposals	(14,458)
At 31 August 2025	46,508
Depreciation	
At 1 September 2024	48,413
Charge for the year	2,608
On disposals	(13,471)
At 31 August 2025	37,550
Net book value	
At 31 August 2025	8,958
At 31 August 2024	12,093

10. INVESTMENT PROPERTY

	Investment property £
At 1 September 2024	3,800,000
Disposals	(3,800,000)
At 31 August 2025	-

During the year, the Trustees sold the freehold property at 69-71 Great Eastern Street, London. The sale of the property was completed on 18 November 2024 for consideration of £3.8m.

11. TRADE AND OTHER RECEIVABLES

	2025 £	2024 £
Trade receivables	240,773	221,762
Other debtors	1,500	5,786
Prepayments and accrued income	136,143	77,227
	378,416	304,775

12. CURRENT ASSET INVESTMENTS

	2025 £	2024 £
Unlisted investments (liquid)	2,750,000	-

13. CREDITORS: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	75,241	33,651
Other taxation and social security	11,859	17,096
Other creditors	243	20,702
Accruals and deferred income	791,141	630,014
	878,484	701,463

	2025 £	2024 £
Deferred income at 1 September 2024	474,978	511,878
Resources deferred during the year	619,484	474,978
Amounts released from previous periods	(474,978)	(511,878)
	619,484	474,978

Deferred income relates to tuition fee income received in advance for courses due to commence after 31 August 2025.

14. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the Charity in a separately administered fund.

The pension costs per the Statement of Comprehensive Income represent contributions due from the company and amounted to £18,767 (2024 - £15,946).

15. OPERATING LEASE COMMITMENTS

At 31 August 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	17,277	-

The total lease payments recognised as an expense were £99,182 (2024 - £14,825).

16. OPERATING LEASE - LESSOR

As at 31 August 2025 the total of the Charity's future minimum lease receipts under non-cancellable operating leases was:

	2025 £	2024 £
Not later than 1 year	-	2,199
	-	2,199

During the year, the Charity sold its premises, and therefore terminated all leases.

17. STATEMENT OF RESERVES

STATEMENT OF RESERVES - CURRENT YEAR

	Balance at 1 September 2024 £	Income £	Expenditure £	Balance at 31 August 2025 £
Unrestricted Reserves				
General Reserves	3,660,274	1,148,885	(1,483,303)	3,325,856

STATEMENT OF RESERVES - PRIOR YEAR

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted Reserves					
General Reserves	1,177,069	971,267	(1,284,548)	2,796,486	3,660,274

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	8,958	8,958
Current assets	4,195,382	4,195,382
Creditors due within one year	(878,484)	(878,484)
Total	3,325,856	3,325,856

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	12,093	12,093
Investment property	3,800,000	3,800,000
Current assets	549,644	549,644
Creditors due within one year	(701,463)	(701,463)
Total	3,660,274	3,660,274

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	(334,418)	(313,281)
Adjustments for:		
Depreciation charges	2,608	13,725
Investment income receivable	(93,271)	(75,563)
Loss on the sale of fixed assets	987	1,579
(Increase)/decrease in debtors	(4,932)	16,790
Increase/(decrease) in creditors	177,021	(24,689)
Net cash used in operating activities	(252,005)	(381,439)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash and cash equivalents	3,816,966	244,869
Total cash and cash equivalents	3,816,966	244,869

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	244,869	822,097	1,066,966
Liquid investments	-	2,750,000	2,750,000
	244,869	3,572,097	3,816,966

22. RELATED PARTY TRANSACTIONS

As at 31 August 2025, an amount of £nil (2024 - £11,765) was due to ECBM Company Limited by Guarantee, a company which has common directors. The amount is interest free, unsecured and repayable on demand. During the year ended 31 August 2025 an amount of £48,266 was received on the liquidation of ECBM Company Limited by Guarantee. The amount has been recognised as donation income.

23. OMISSION OF STATEMENT OF CHANGES IN RESERVES

Given that the only movement which would be shown on the Statement of Changes in Reserves is the total comprehensive Deficit shown in the Statement of Comprehensive Income, this primary financial statement has been omitted.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales - Charity number 1042523

Accounts

Registered number: 2198970
Charity number: 1042523

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2024

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee)

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 AUGUST 2024

Trustees	Dr U Hoppe I Redemann Dr E Thorne
Company registered number	2198970
Charity registered number	1042523
Registered office	69-71 Great Eastern Street London EC2A 3HU
Principal Operating Officer	R Bills (Resigned on 15th October 2024) C Heming (Appointed 15th October 2024)
Independent auditors	Lubbock Fine LLP Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Barclays Bank plc PO Box No 4578 155 Brompton Road London SW3 1XD Commerzbank 40300 Dusseldorf Germany

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report, which includes the director's report, together with the audited financial statements of the Charity for the year from 1 September 2023 to 31 August 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Trustees

The Trustees who served the charity during the year were as follows:

- Dr U Hoppe
- I Redemann
- Dr E Thorne

Objectives and Activities

The aims and objectives for which the Charity is established remain unchanged, are the advancement of education, especially in business studies, and training for employment. This increases employability and skills in a future environment where such skills will be at a premium.

The Charity, when pursuing its objectives, also aims to support individuals who, out of lack of financial means or other reasons, potentially might not be able to benefit from the educational activities provided. The strategies for achieving the college's aims and objectives are to develop programmes of education and vocational training and deliver them in a way that enables them to participate at the same time as gaining experience at work or in further study elsewhere.

Through its connections with employers such as Commerzbank, Bank of New York and Newton Asset Management, the Charity operates the Higher Education Vocational Traineeship scheme. For the year in question, the number of young people recruited on to this programme was 26 students in years one and two of the programme (again higher than in the previous year). 7 continued onto their top-up Bachelor . For the coming academic year, there will be fewer recruits to the programme and therefore fewer on programme overall (16 students) but almost a 100% increase in those going on to the BA Top-Up phase (13 students). This continues the record of healthy numbers on the programme in recent years, and the scheme remains in a stable condition. This programme opens up the possibility of a career in the financial services sector to local people who otherwise would not necessarily have considered such an option (and increasingly do not have the financial means to embark on a higher education course). It also provides a strong boost to diversity in background of recruitment at the College. Local people, and ethnically diverse staff, are evidently under-represented in the financial services industry in the City of London and this activity aims to address this imbalance.

The Charity also provides subsidised education for students who take part in short courses which enhance their understanding of cross-cultural issues, which is of growing importance for the country as we seek to display an outward facing image to the world, providing young people with the skills to compete globally. The Charity continues to offer this opportunity through our official branch in Dublin. There are viable viable numbers for these courses and we are hoping for an increase in recruitment in the coming academic and financial year.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Performance

Demand for the Charity's programmes (HND/CML/AML/Bachelor programmes, DSM/MBA programmes and PDPs [Professional Development Programmes]) has stabilised, though numbers of new students was reduced in comparison to the previous year. Despite this, due to the revaluation of the property owned by the college,which has been reclassified as an investment property due to its pending sale, a surplus was achieved during the year.

There have been higher costs due to inflation and external rent, and this is still reflected in the financial figures. However, the College still remains in a solvent and viable position. The College is in the final stages of completing the sale of its London premises in order to release capital; for the future viability and indeed expansion of the services provided.

The Charity continues to benefit from a strong level of reserves built up in previous years, and notwithstanding the pressures of the pandemic and Brexit, these external shocks have been able to be managed due to prudent financial management. The Charity will gain a considerable boost to its income once the premises are sold, and will be in a very good position to improve and recover its financial position.

Financial Review

The Charity recorded a surplus of £2,483,205 in the financial year ending 31 August 2024 (2023 - Deficit of £205,836). The Charity continues to be prudently managed.

Total funds held by the Charity as of 31 August 2024 are £3,660,274 (2023 - £1,177,069). The charity does not hold any restricted funds.

In the pre-pandemic era, the Charity's reserves policy was to build up reserves equivalent to the value (historic costs) of its premises plus half the annual turnover. This has been an important policy, as it has enabled the Charity to maintain its operations during the financial difficulties caused by the pandemic. Currently, and going forward, the general aim of the Charity will be to rebuild its reserves in the medium term when it is in a position to do so, notably through the sale of the premises owned as freehold in the coming financial year, and the leaseback of suitable space in order to continue its operations.

Plans for Future Periods

The outlook for 2024/25 is one where the losses of the last financial year should be stabilised and we are aiming for an improved position, though predicting an operating deficit. The overall aim remains to ensure that the services of the Charity continue to be relevant and serve the needs of its beneficiaries, and we have no doubt that we can successfully do so.

The College, as noted above has disposing of its property in Great Eastern Street in order to leaseback and eventually move to smaller premises and free up capital. This is to ensure that the College remains a going concern for the foreseeable future.

Structure, Governance and Management

The European College of Business and Management incorporated as a company limited by guarantee on 26 November 1987 and registered as a charity on 1 December 1994.

It is governed by its memorandum and articles of association. There is a strong bond between the charity and the German British Chamber of Industry and Commerce. The Chamber is one of the main supporters of the Charity and has common board members.

The appointment of trustees is regulated by the Charity's Memorandum and Articles of Association. The power of appointment of new trustees lies with the members and existing Board of Trustees. New trustees are recruited based on their attributes and the requirements of the Charity, and are familiarised with the work that the Charity undertakes through meetings and discussions with the Board of Trustees and other employees of the Charity.

The Board of Trustees meets regularly during the year but delegates the day-to-day running and management of the Charity to the Principal Operating Officer (who is the Director and CEO), who meets with the Chairman of the Board every month. Arrangements for setting pay and remuneration of key management personnel are decided upon by the Chairman and the Principal Operating Officer, and general policy is to increase staff remuneration to compensate for inflation plus a small incentive increase across the board.

The Board of Trustees regularly conducts a full review of the major risks to which the Charity is exposed and has established appropriate systems to mitigate these risks. These risks and the related systems are reviewed regularly by the Board of Trustees, alongside any new risks to which the Charity is exposed.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

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

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

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

Date: 6 February 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the financial statements of European College of Business and Management (the 'charity') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure 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 charitable 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 Trustees' 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 charitable 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 Trustees 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 Trustees 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.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the Companies Act, the UK Charities Act, Charities SORP 2019 and the Higher Education SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities, including fraud were in respect of revenue recognition and management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance;
- Performing proof in total to form an expectation of income and comparing to actual income and vouching a sample of students from intake lists to the general ledger to verify completeness of income;
- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Hazra Patel

Hazra Patel (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 11 March 2025

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Total funds 2024 £	Total funds 2023 £
INCOME			
Tuition fees and education contracts	2	893,531	1,295,442
Investment Income	3	75,563	1,784
Donations and legacies	4	2,173	-
TOTAL INCOME		971,267	1,297,226
EXPENDITURE			
Charitable activities:			
Staff costs	5	580,285	545,576
Other operating expenses	6	679,304	897,382
Depreciation		13,725	46,335
Interest and other finance costs	7	9,655	11,991
Loss on disposal of fixed assets		1,579	1,778
TOTAL EXPENDITURE		1,284,548	1,503,062
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES):		(313,281)	(205,836)
OTHER RECOGNISED GAINS/LOSSES			
Gains on revaluation of investment property		2,796,486	-
SURPLUS/(DEFICIT) FOR THE YEAR		2,483,205	(205,836)
RECONCILIATION OF RESERVES:			
Total reserves brought forward		1,177,069	1,382,905
Net movement in reserves		2,483,205	(205,836)
TOTAL RESERVES CARRIED FORWARD		3,660,274	1,177,069

The Statement of Comprehensive Income includes all gains and losses recognised in the year.

All income and expenditure in 2023 and 2024 related to unrestricted reserves.

All items of income and expenditure related to continuing activities.

The notes on pages 13 to 24 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee) **REGISTERED NUMBER: 2198970**

BALANCE SHEET

AS AT 31 AUGUST 2024

	Note		2024 £		2023 £
NON-CURRENT ASSETS					
Tangible fixed assets	9		12,093		1,020,355
Investment property	10		3,800,000		-
			3,812,093		1,020,355
CURRENT ASSETS					
Trade and other receivables	11	304,775		321,564	
Cash and cash equivalents		244,869		561,301	
		549,644		882,865	
Creditors: amounts falling due within one year	12	(701,463)		(726,151)	
NET CURRENT LIABILITIES / ASSETS			(151,819)		156,714
TOTAL ASSETS LESS CURRENT LIABILITIES			3,660,274		1,177,069
NET ASSETS			3,660,274		1,177,069
CHARITY RESERVES					
Unrestricted reserves	16		3,660,274		1,177,069
TOTAL RESERVES			3,660,274		1,177,069

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

I Redemann
Trustee

Date: 6 February 2025

The notes on pages 13 to 24 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/produced by operating activities	18	(381,439)	(112,509)
Cash flows from investing activities			
Investment income receivable		75,563	1,784
Purchase of tangible fixed assets		(10,556)	(5,488)
Net cash provided by/(used in) investing activities		65,007	(3,704)
Change in cash and cash equivalents in the year		(316,432)	(116,213)
Cash and cash equivalents at the beginning of the year		561,301	677,514
Cash and cash equivalents at the end of the year	19	244,869	561,301

The notes on pages 13 to 24 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice Accounting for Further and Higher Education (effective 1 January 2019) (FE/HE SORP 2019) and the Companies Act 2006. Where differences arise between the Charities SORP (FRS 102) and the FE/HE SORP 2019 the FE/HE SORP takes precedence.

European College of Business and Management meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is 69-71 Great Eastern Street, London, EC2A 3HU.

1.3 Reserves accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Course fees and related income, net of direct costs, are recognised in the period in which the course takes place.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure (continued)

Charitable activity costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Other operating expenses represent those costs incurred directly in support of expenditure on the objects of the Charity and include project management and costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Equipment	- 20%/30% reducing balance/20% straight line
Property improvements	- 5% straight line

1.8 Investment property

Investment property is carried at fair value determined annually by the trustees and derived from the current open market, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

1.9 Trade and other receivables

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1. ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

2. ANALYSIS OF TUITION FEES AND EDUCATION CONTRACTS

	2024 £	2023 £
Course fees and related income	884,091	1,238,441
Discounts allowed	(332)	(2,084)
Other fees	1,155	1,110
Other Income	8,617	57,975
	893,531	1,295,442

3. INVESTMENT INCOME

	2024 £	2023 £
Bank interest receivable	3,741	1,784
Rental income	71,822	-
	75,563	1,784

4. INCOME FROM DONATIONS AND LEGACIES

	2024 £	2023 £
Gifts in kind	2,173	-

5. STAFF COSTS

	2024 £	2023 £
Wages and salaries	513,176	481,449
Social security costs	51,163	49,232
Contribution to defined contribution pension schemes	15,946	14,895
	580,285	545,576

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Number of Lecturers	6	5
Number of Administrative staff	8	8
	14	13

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

None of the Trustees received any remuneration, benefits in kind or reimbursement of expenses during the year (2023 - £nil).

Total remuneration paid to key management personnel was £120,355 (2023 - £113,919).

6. OTHER OPERATING EXPENSES

	2024 £	2023 £
Advertising	27,752	57,779
Computer costs	25,433	21,612
Accommodation	59,371	231,999
External rent, rates and water	135,549	140,840
Cleaning	25,337	24,554
Repairs and maintenance	20,819	27,453
Insurance	21,653	21,462
General expenses	6,268	6,613
Travel	46,920	65,528
Auditors remuneration	15,600	10,500
Consultancy	153,447	170,084
Telephone	14,889	13,215
Exam fees and associated costs	55,926	50,370
Printing, postage and stationery	18,130	8,060
Light and heat	11,923	9,933
Bad debts	10,633	-
Staff training	2,813	1,506
Legal and professional fees	12,288	24,484
Accountancy	14,553	11,390
	679,304	897,382

7. INTEREST AND OTHER FINANCE COSTS

	2024 £	2023 £
Bank charges	4,907	4,435
Foreign currency loss	4,748	7,556
	9,655	11,991

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

	2024 £	2023 £
Auditors' remuneration - Audit	12,600	10,500
Auditors' remuneration - Other	600	480
Staff pension contributions	15,946	14,895
Depreciation	13,725	46,335
Exchange loss	4,748	7,556

9. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Property improvements £	Total £
Cost or valuation				
At 1 September 2023	1,302,872	66,813	455,208	1,824,893
Additions	-	3,327	7,229	10,556
Disposals	-	(1,974)	-	(1,974)
Transfer to investment property	(1,302,872)	(7,660)	(462,437)	(1,772,969)
At 31 August 2024	-	60,506	-	60,506
Depreciation				
At 1 September 2023	462,836	53,451	288,251	804,538
Charge for the year	5,014	3,017	5,694	13,725
On disposals	-	(395)	-	(395)
Transfer to investment property	(467,850)	(7,660)	(293,945)	(769,455)
At 31 August 2024	-	48,413	-	48,413
Net book value				
At 31 August 2024	-	12,093	-	12,093
At 31 August 2023	840,036	13,362	166,957	1,020,355

During the year, the Trustees made the decision to sell the freehold property at 69-71 Great Eastern Street, London. The net book value of the freehold property of £835,022 and property improvements of £168,492, totalling £1,003,514 have therefore been reclassified to Investment property and revalued to it's open market value of £3.8m at the year end. The sale of the property was completed on 18 November 2024 for consideration of £3.8m.

10. INVESTMENT PROPERTY

	Investment property £
Valuation	
Transfer from tangible fixed assets	1,003,514
Surplus on revaluation	2,796,486
At 31 August 2024	3,800,000

During the year, the Trustees made the decision to sell the freehold property at 69-71 Great Eastern Street, London. The net book value of the freehold property of £835,022 and property improvements of £168,492, totalling £1,003,514 have therefore been reclassified to Investment property and revalued to it's open market value of £3.8m at the year end. The sale of the property was completed on 18 November 2024 for consideration of £3.8m.

The investment property was valued at 31 August 2024 by the Trustees on an open market basis.

11. TRADE AND OTHER RECEIVABLES

	2024 £	2023 £
Trade receivables	221,762	282,632
Other debtors	5,786	8,622
Prepayments and accrued income	77,227	30,310
	304,775	321,564

12. CREDITORS: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	33,651	157,645
Other taxation and social security	17,096	14,817
Other creditors	20,702	25,498
Accruals and deferred income	630,014	528,191
	701,463	726,151

	2024 £	2023 £
Deferred income at 1 September 2023	511,878	592,993
Resources deferred during the year	474,978	511,878
Amounts released from previous periods	(511,878)	(592,993)
	474,978	511,878

Deferred income relates to tuition fee income received in advance for courses due to commence after 31 August 2024. Also included in deferred income is rental income received in advance of £nil (2023 - £24,260).

13. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the Charity in a separately administered fund.

The pension costs per the Statement of Comprehensive Income represent contributions due from the company and amounted to £15,946 (2023 - £14,895).

14. OPERATING LEASE COMMITMENTS

At 31 August 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	-	1,944

The total lease payments recognised as an expense were £14,825 (2023 - £7,502).

15. OPERATING LEASE - LESSOR

As at 31 August 2024 the total of the Charity's future minimum lease receipts under non-cancellable operating leases was:

	2024 £	2023 £
Not later than 1 year	2,199	46,228
Later than 1 year and not later than 5 years	-	26,083
	2,199	72,311

During the year, the Charity received rent from leasing out three floors of its property. However, at the year end only one floor remained with a lease obligations in place.

16. STATEMENT OF RESERVES

STATEMENT OF RESERVES - CURRENT YEAR

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted Reserves					
General Reserves	1,177,069	971,267	(1,284,548)	2,796,486	3,660,274

STATEMENT OF RESERVES - PRIOR YEAR

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted Reserves				
General Reserves	1,382,905	1,297,226	(1,503,062)	1,177,069

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	12,093	12,093
Investment property	3,800,000	3,800,000
Current assets	549,644	549,644
Creditors due within one year	(701,463)	(701,463)
Total	3,660,274	3,660,274

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,020,355	1,020,355
Current assets	882,865	882,865
Creditors due within one year	(726,151)	(726,151)
Total	1,177,069	1,177,069

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(313,281)	(205,836)
Adjustments for:		
Depreciation charges	13,725	46,335
Investment income receivable	(75,563)	(1,784)
Loss on the sale of fixed assets	1,579	1,779
Decrease/(increase) in debtors	16,790	(17,870)
(Decrease)/increase in creditors	(24,689)	64,867
Net cash used in operating activities	(381,439)	(112,509)

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash and cash equivalents	244,869	561,301
Total cash and cash equivalents	244,869	561,301

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	561,301	(316,432)	244,869
	561,301	(316,432)	244,869

21. RELATED PARTY TRANSACTIONS

As at 31 August 2024, an amount of £11,765 (2023 - £13,737) was due to ECBM Company Limited By Guarantee, a company which has common directors. The amount is interest free, unsecured and repayable on demand. There were no other related party transactions noted during the year.

22. OMISSION OF STATEMENT OF CHANGES IN RESERVES

Given that the only movement which would be shown on the Statement of Changes in Reserves is the total comprehensive Deficit shown in the Statement of Comprehensive Income, this primary financial statement has been omitted.

23. POST BALANCE SHEET EVENTS

On the 18 November 2024 the investment property held by the charity was sold for £3,800,000. The charity will continue to operate from the property via a sale and leaseback arrangement.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales - Charity number 1042523

Accounts

Registered number: 2198970
Charity number: 1042523

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	Dr U Hoppe I Redemann Dr E Thorne
Company registered number	2198970
Charity registered number	1042523
Registered office	69-71 Great Eastern Street London EC2A 3HU
Principal Operating Officer	R Bills
Independent auditors	Lubbock Fine LLP Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Barclays Bank plc PO Box No 4578 155 Brompton Road London SW3 1XD Commerzbank 40300 Dusseldorf Germany

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report, which includes the director's report, together with the audited financial statements of the Charity for the year from 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Trustees

The Trustees who served the charity during the year were as follows:

- Dr U Hoppe
- I Redemann
- Dr E Thorne

Objectives and Activities

The aims and objectives for which the Charity is established are the advancement of education, especially in business studies, and training for employment. This increases employability and skills in a future environment where such skills will be at a premium.

The Charity, when pursuing its objectives, also aims to support individuals who, out of lack of financial means or other reasons, potentially might not be able to benefit from the educational activities provided. The strategies for achieving the college's aims and objectives are to develop programmes of education and vocational training and deliver them in a way that enables them to participate at the same time as gaining experience at work or in further study elsewhere.

Through its connections with employers such as Commerzbank, Bank of New York and Newton Asset Management the Charity operates the Higher Education Vocational Traineeship scheme. For the forthcoming year the number of young people recruited on to this programme has been 26 students in years one and two of the programme (again higher than in the previous year). 7 are continuing onto their top-up Bachelor. This continues the recent record of healthy recruitment on the programme for this type of programme in recent years, and the scheme remains in a stable condition. This programme opens up the possibility of a career in the financial services sector to local people who otherwise would not necessarily have considered such an option (and increasingly do not have the financial means to embark on a higher education course). It also provides a strong boost to diversity in background of recruitment at the College. Local people, and ethnically diverse staff, are evidently under-represented in the financial services industry in the City of London and this activity aims to address this imbalance.

The Charity also provides subsidised education for students who take part in short courses which enhance their understanding of cross-cultural issues, which is of growing importance for the country as we seek to display an outward facing image to the world post Brexit and provide young people with the skills to compete globally. The funding these students receive is connected to the Erasmus Plus project, and this is still available in future, notwithstanding the UK's departure from the European Union, through our official branch in Dublin. The year to 31 August 2023 has seen a return of viable numbers for these courses (last year it was noted that student numbers have continued to be affected by the pandemic, and the inability of young people to travel to the College).

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Performance

Demand for the Charity's programmes (HND/CML/DML/Bachelor programmes, DSML/MBA programmes and PDPs [Professional Development Programmes]) have recovered in part following Brexit and the pandemic, though the delivery is mainly through our Dublin branch. As predicted, this was the reason for the improvement in the yearly annual financial statements, though the College remains in deficit.

Again, as predicted, there have been much higher costs due to inflation and external rent, and this is still reflected in the financial figures. However, the cost base is substantially lower and the College still remains in a solvent and viable position due to its healthy reserves and cash balance in the bank.

The Vocational Trainee scheme saw an increase in numbers recruited in the year to 31 August 2023, Brexit continues to be a negative factor which will outlast the effects of the pandemic, but there remains a clear demand for the Charity’s courses in London. The Charity continues to benefit from a strong level of reserves built up in previous years, and this once again attests to an excellent record of prudent financial management. The Charity continues to slowly improve and recover its financial position.

Financial Review

The Charity recorded a deficit of £205,836 in the financial year ending 31 August 2023 (2022 - £293,736). The Charity continues to be prudently managed.

Total funds held by the Charity as of 31 August 2023 are £1,177,069 (2022 - £1,382,905). The charity does not hold any restricted funds.

In the pre-pandemic era, the Charity's reserves policy was to build up reserves equivalent to the value (historic costs) of its premises plus half the annual turnover. This has been an important policy, as it has enabled the Charity to maintain its operations during the financial difficulties caused by the pandemic. Currently, and going forward, the general aim of the Charity will be to rebuild its reserves in the medium term when it is in a position to do so.

Plans for Future Periods

The outlook for 2023/24 is one where the Charity will aim to report further progress in shoring up its financial stability. The recovery has been much slower than at first predicted, but the figures reported in these annual statements are an improvement compared to the losses of the last financial year.

The overall aim remains to ensure that the services of the Charity continue to be relevant and serve the needs of its beneficiaries.

The College, in the academic and financial year 23-24, will consider disposing of its property in Great Eastern Street in order to move to smaller premises and free up capital. This is to ensure that the College remains a going concern for the foreseeable future.

Structure, Governance and Management

The European College of Business and Management incorporated as a company limited by guarantee on 26 November 1987 and registered as a charity on 1 December 1994.

It is governed by its memorandum and articles of association. There is a strong bond between the charity and the German British Chamber of Industry and Commerce. The Chamber is one of the main supporters of the Charity and has common board members.

The appointment of trustees is regulated by the Charity's Memorandum and Articles of Association. The power of appointment of new trustees lies with the members and existing Board of Trustees. New trustees are recruited based on their attributes and the requirements of the Charity, and are familiarised with the work that the Charity undertakes through meetings and discussions with the Board of Trustees and other employees of the Charity.

The Board of Trustees meets regularly during the year but delegates the day-to-day running and management of the Charity to the Principal Operating Officer (who is the Director and CEO), who meets with the Chairman of the Board every month. Arrangements for setting pay and remuneration of key management personnel are decided upon by the Chairman and the Principal Operating Officer, and general policy is to increase staff remuneration to compensate for inflation plus a small incentive increase across the board.

The Board of Trustees regularly conducts a full review of the major risks to which the Charity is exposed and has established appropriate systems to mitigate these risks. These risks and the related systems are reviewed regularly by the Board of Trustees, alongside any new risks to which the Charity is exposed.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

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

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

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

Date: 29/11/23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the financial statements of European College of Business and Management (the 'charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure 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 charitable 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 Trustees' 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 charitable 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 Trustees 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 Trustees 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.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the Companies Act, the UK Charities Act, Charities SORP 2019 and the Higher Education SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities, including fraud were in respect of revenue recognition and management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance;
- Performing proof in total to form an expectation of income and comparing to actual income and vouching a sample of students from intake lists to the general ledger to verify completeness of income;
- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Hazra Patel

Hazra Patel (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 08 December 2023

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Total funds 2023 £	Total funds 2022 £
INCOME			
Tuition fees and education contracts	2	1,295,442	817,977
Investment income	3	1,784	109
TOTAL INCOME		1,297,226	818,086
EXPENDITURE			
Charitable activities:			
Staff costs	4	545,576	609,880
Other operating expenses	5	897,382	449,952
Depreciation		46,334	46,642
Interest and other finance costs	6	11,991	5,348
Loss on disposal of fixed assets		1,779	-
TOTAL EXPENDITURE		1,503,062	1,111,822
DEFICIT FOR THE YEAR		(205,836)	(293,736)
RECONCILIATION OF RESERVES:			
Total reserves brought forward		1,382,905	1,676,641
Net movement in reserves		(205,836)	(293,736)
TOTAL RESERVES CARRIED FORWARD		1,177,069	1,382,905

The Statement of Comprehensive Income includes all gains and losses recognised in the year.

All income and expenditure in 2022 and 2023 related to unrestricted reserves.

All items of income and expenditure related to continuing activities.

The notes on pages 13 to 23 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee) **REGISTERED NUMBER: 2198970**

BALANCE SHEET

AS AT 31 AUGUST 2023

	Note		2023 £		2022 £
NON-CURRENT ASSETS					
Tangible fixed assets	8		1,020,355		1,062,980
CURRENT ASSETS					
Trade and other receivables	9	321,564		303,695	
Cash and cash equivalents		561,301		677,514	
		882,865		981,209	
Creditors: amounts falling due within one year	10	(726,151)		(661,284)	
NET CURRENT ASSETS			156,714		319,925
TOTAL ASSETS LESS CURRENT LIABILITIES			1,177,069		1,382,905
NET ASSETS			1,177,069		1,382,905
CHARITY RESERVES					
Unrestricted reserves	14		1,177,069		1,382,905
TOTAL RESERVES			1,177,069		1,382,905

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

I Redemann
Trustee

Date: 29 November 2023

The notes on pages 13 to 23 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/produced by operating activities	17	(112,509)	(232,597)
Cash flows from investing activities			
Bank interest receivable		1,784	109
Purchase of tangible fixed assets		(5,488)	(36,454)
Net cash used in investing activities		(3,704)	(36,345)
Change in cash and cash equivalents in the year		(116,213)	(268,942)
Cash and cash equivalents at the beginning of the year		677,514	946,456
Cash and cash equivalents at the end of the year	18	561,301	677,514

The notes on pages 13 to 23 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice Accounting for Further and Higher Education (effective 1 January 2019) (FE/HE SORP 2019) and the Companies Act 2006. Where differences arise between the Charities SORP (FRS 102) and the FE/HE SORP 2019 the FE/HE SORP takes precedence.

European College of Business and Management meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is 69-71 Great Eastern Street, London, EC2A 3HU.

1.3 Reserves accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Course fees and related income, net of direct costs, are recognised in the period in which the course takes place.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activity costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

Other operating expenses represent those costs incurred directly in support of expenditure on the objects of the Charity and include project management and costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Equipment	- 20%/30% reducing balance/20% straight line
Property improvements	- 5% straight line

1.8 Trade and other receivables

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

2. ANALYSIS OF TUITION FEES AND EDUCATION CONTRACTS

	2023 £	2022 £
Course fees and related income	1,238,441	790,222
Discounts allowed	(2,084)	(2,347)
Other fees	1,110	1,080
Other Income	57,975	29,022
	1,295,442	817,977

3. INVESTMENT INCOME

	2023 £	2022 £
Bank interest receivable	1,784	109
	1,784	109

4. STAFF COSTS

	2023 £	2022 £
Wages and salaries	481,449	531,712
Social security costs	49,232	61,846
Contribution to defined contribution pension schemes	14,895	16,322
	545,576	609,880

4. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Number of Lecturers	5	5
Number of Administrative staff	8	10
	13	15

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £90,001 - £100,000	1	1

None of the Trustees received any remuneration, benefits in kind or reimbursement of expenses during the year (2022 - £nil).

Total remuneration paid to key management personnel was £113,919 (2022 - £114,215).

5. OTHER OPERATING EXPENSES

	2023 £	2022 £
Advertising	57,779	28,225
Computer costs	21,612	10,806
Accommodation	231,999	1,596
External rent, rates and water	140,840	42,538
Cleaning	24,554	20,863
Repairs and maintenance	27,453	22,450
Insurance	21,462	17,512
General expenses	6,613	4,778
Travel	65,528	45,538
Auditors remuneration	10,500	9,600
Consultancy	170,084	135,514
Telephone	13,215	13,847
Exam fees and associated costs	50,370	41,746
Printing, postage and stationery	8,060	17,040
Light and heat	9,933	4,875
Staff training	1,506	3,168
Legal and professional fees	24,484	18,693
Accountancy	11,390	11,163
	897,382	449,952

6. INTEREST AND OTHER FINANCE COSTS

	2023 £	2022 £
Bank charges	4,435	3,597
Foreign currency loss	7,556	1,751
	11,991	5,348

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

	2023 £	2022 £
Auditors' remuneration - Audit	10,500	9,600
Auditors' remuneration - Other	480	420
Staff pension contributions	14,895	16,322
Depreciation	46,335	46,642
Exchange loss	7,556	1,751

8. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Property improvements £	Total £
Cost or valuation				
At 1 September 2022	1,302,872	132,718	452,508	1,888,098
Additions	-	2,788	2,700	5,488
Disposals	-	(68,696)	-	(68,696)
At 31 August 2023	1,302,872	66,810	455,208	1,824,890
Depreciation				
At 1 September 2022	442,778	116,726	265,614	825,118
Charge for the year	20,057	3,641	22,637	46,335
On disposals	-	(66,918)	-	(66,918)
At 31 August 2023	462,835	53,449	288,251	804,535
Net book value				
At 31 August 2023	840,037	13,361	166,957	1,020,355
At 31 August 2022	860,094	15,992	186,894	1,062,980

Freehold property includes land with a cost of £300,000 (2022 - £300,000) on which depreciation is not provided. A proportion of the property is being leased out on a short term basis in order to generate additional income to supplement charitable activities and to make use of any excess capacity that arises from time to time.

9. TRADE AND OTHER RECEIVABLES

	2023 £	2022 £
Trade receivables	282,632	267,081
Other debtors	8,622	4,290
Prepayments and accrued income	30,310	32,324
	321,564	303,695

10. CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	157,645	18,087
Other taxation and social security	14,817	15,294
Other creditors	25,498	21,938
Accruals and deferred income	528,191	605,965
	726,151	661,284

	2023 £	2022 £
Deferred income at 1 September 2022	592,993	577,092
Resources deferred during the year	511,878	592,993
Amounts released from previous periods	(592,993)	(577,092)
	511,878	592,993

Deferred income relates to tuition fee income received in advance for courses due to commence after 31 August 2023. Also included in deferred income is rental income received in advance of £24,260 (2022 - £28,291).

11. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the Charity in a separately administered fund.

The pension costs per the Statement of Comprehensive Income represent contributions due from the company and amounted to £14,895 (2022 - £16,322).

12. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	1,944	7,502
Later than 1 year and not later than 5 years	-	1,944
	1,944	9,446

The total lease payments recognised as an expense were £7,502 (2022 - £12,584).

13. OPERATING LEASE - LESSOR

As at 31 August 2023 the total of the Charity's future minimum lease receipts under non-cancellable operating leases was:

	2023 £	2022 £
Not later than 1 year	46,228	26,124
Later than 1 year and not later than 5 years	26,083	-
	72,311	26,124

The Charity receives rent from leasing out two floors of its property.

14. STATEMENT OF RESERVES

STATEMENT OF RESERVES - CURRENT YEAR

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted Reserves				
General Reserves	1,382,905	1,297,226	(1,503,062)	1,177,069

STATEMENT OF RESERVES - PRIOR YEAR

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted Reserves				
General Reserves	1,676,641	818,086	(1,111,822)	1,382,905

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	2023 £
Tangible fixed assets	1,020,355
Current assets	882,865
Creditors due within one year	(726,151)
	1,177,069

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	2022 £
Tangible fixed assets	1,062,980
Current assets	981,209
Creditors due within one year	(661,284)
	1,382,905

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(205,836)	(293,736)
Adjustments for:		
Depreciation charges	46,335	46,642
Bank interest receivable	(1,784)	(109)
Loss on the sale of fixed assets	1,779	-
Increase in debtors	(17,870)	(3,329)
Increase in creditors	64,867	17,935
Net cash used in operating activities	(112,509)	(232,597)

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash and cash equivalents	561,301	677,514
Total cash and cash equivalents	561,301	677,514

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	677,514	(116,213)	561,301
	677,514	(116,213)	561,301

20. RELATED PARTY TRANSACTIONS

As at 31 August 2023, an amount of £13,737 (2022 - £13,487) was due to ECBM Company Limited By Guarantee, a company which has common directors. The amount is interest free, unsecured and repayable on demand. There were no other related party transactions noted during the year.

21. OMISSION OF STATEMENT OF CHANGES IN RESERVES

Given that the only movement which would be shown on the Statement of Changes in Reserves is the total comprehensive Deficit shown in the Statement of Comprehensive Income, this primary financial statement has been omitted.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales - Charity number 1042523

Accounts

Registered number: 2198970
Charity number: 1042523

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 AUGUST 2022

Trustees	Dr U Hoppe I Redemann Dr E Thorne
Company registered number	2198970
Charity registered number	1042523
Registered office	69-71 Great Eastern Street London EC2A 3HU
Principal Operating Officer	R Bills
Independent auditors	Lubbock Fine LLP Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Barclays Bank plc PO Box No 4578 155 Brompton Road London SW3 1XD Commerzbank 40300 Dusseldorf Germany

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report, which includes the director's report, together with the audited financial statements of the Charity for the year from 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Trustees

The Trustees who served the charity during the year were as follows:

- Dr U Hoppe
- I Redemann
- Dr E Thorne

Objectives and Activities

The aims and objectives for which the Charity is established are the advancement of education, especially in business studies, and training for employment. This increases employability and skills in a future environment where such skills will be at a premium.

The Charity, when pursuing its objectives, also aims to support individuals who, out of lack of financial means or other reasons, potentially might not be able to benefit from the educational activities provided. The strategies for achieving the college's aims and objectives are to develop programmes of education and vocational training and deliver them in a way that enables them to participate at the same time as gaining experience at work or in further study elsewhere.

Through its connections with employers such as Commerzbank, Bank of New York and Newton Asset Management the Charity operates the Higher Education Vocational Traineeship scheme. For the forthcoming year the number of young people recruited on to this programme has been 22 students in years one and two of the programme (higher than in the previous year). 10 are continuing onto their top-up Bachelor. This continues the record of healthy recruitment on the programme for this type of programme in recent years, and the scheme remains in a stable condition. This long standing programme opens up the possibility of a career in the financial services sector to local people who otherwise would not necessarily have considered such an option (and increasingly do not have the financial means to embark on a higher education course). It also provides a strong boost to diversity in background of recruitment at the College. Local people, and ethnically diverse staff, are evidently under-represented in the financial services industry in the City of London and this activity aims to address this imbalance.

The Charity also provides subsidised education for students who take part in short courses which enhance their understanding of cross cultural issues, which is of growing importance for the country as we seek to display an outward facing image to the world post Brexit and provide young people with the skills to compete globally. The funding these students receive is connected to the Erasmus Plus project, and this is still available in future, notwithstanding the UK's departure from the European Union, through our official branch in Dublin. Student numbers have continued to be affected by the pandemic, and the inability of young people to travel to the College. This has been the key reason for the recording of a deficit in the financial year to 31 August 2022, though there is still 'pent up' demand for these courses and we began to see a return of students to the College in the summer of 2022. These restrictions were predicted in the forecast budgets last year, and the College does expect student numbers for short courses to grow in this coming year. The Charity would normally also provide free short courses for the Brokerage, for more than 20 local school pupils each year. These are young people who might otherwise not go into careers in the City, and are from local, diverse and underprivileged backgrounds. Although, once again, the pandemic has caused a suspension of this offer, the Charity will continue to explore ways to reactivate that connection in the future.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Performance

Demand for the Charity's programmes (HND/CML/DML/Bachelor programmes, DSML/MBA programmes and PDPs [Professional Development Programmes]) has continued to be affected by the restrictions imposed due to the pandemic, and the increased losses reflect the withdrawal of government support that cushioned this impact during the lockdown period of 2020-21. The financial performance for the year to 31 August 2022, is, however, a 'low water mark' and the Charity is confident that the situation will be improved in the next yearly annual financial statements.

This is because the Charity's actions to mitigate the impact of Brexit and recover its position following the pandemic are going to bear fruit now that travel restrictions have been lifted and recruitment on professional development programmes has resumed. These courses had already started to resume in the summer of 2022, and will continue to recover. There will be much higher costs due to inflation and external rent in future, it must be noted, so it will be a struggle to achieve an immediate return to the surpluses of previous years.

The Vocational Trainee scheme saw a reduction in numbers recruited in the year to 31 August 2022, but this was a temporary reduction as employers adjusted to the same external market forces. In the following financial year the Charity has already doubled the numbers of first year recruits. Brexit continues to be a negative factor which will outlast the effects of the pandemic, but there remains a clear demand for the Charity's courses. The Charity continues to benefit from a strong level of reserves built up in previous years, and this once again attests to an excellent record of prudent financial management. The Charity continues to be well placed to rebound from its losses as we see a gradual but clear recovery.

Financial Review

The Charity recorded a deficit of £293,736 in the financial year ending 31 August 2022 (2021 - £136,929). The Charity continues to be prudently managed.

Total funds held by the Charity as of 31 August 2022 are £1,382,905 (2021 - £1,676,641). The charity does not hold any restricted funds.

In the pre-pandemic era, the Charity's reserves policy was to build up reserves equivalent to the value (historic costs) of its premises plus half the annual turnover. This was been an important policy, as it has enabled the Charity to maintain its operations during the financial difficulties caused by the pandemic. Currently, and going forward, the general aim of the Charity will be to rebuild its reserves in the medium term.

Plans for Future Periods

The outlook for 2022/23 is one where the Charity will aim to report a reduction in the deficit and work towards breakeven, maintaining its financial stability. The recovery has been slower than at first predicted, but the figures reported in these annual statements are, as noted above, predicted to be the bottom of the curve leading to a much improved position in the next financial year.

The reason for this optimism is due to the Charity's actions to restructure during the period of the pandemic, with a reduction in the number of staff, the return of professional development programmes which has historically accounted for over 40% of the Charity's annual income (and which had been reduced to zero activity during the pandemic) and the continued optimisation of use of the Charity's physical assets. There will be an increasing share of the Charity's delivery of short courses through the branch in Dublin. The Charity aims to work towards break even, but the situation will doubtless be much improved in the next yearly financial statements. The overall aim remains to ensure that the services of the Charity continue to be relevant and serve the needs of its beneficiaries.

Structure, Governance and Management

The European College of Business and Management incorporated as a company limited by guarantee on 26 November 1987 and registered as a charity on 1 December 1994.

It is governed by its memorandum and articles of association. There is a strong bond between the charity and the German British Chamber of Industry and Commerce. The Chamber is one of the main supporters of the Charity and has common board members.

The appointment of trustees is regulated by the Charity's Memorandum and Articles of Association. The power of appointment of new trustees lies with the members and existing Board of Trustees. New trustees are recruited based on their attributes and the requirements of the Charity, and are familiarised with the work that the Charity undertakes through meetings and discussions with the Board of Trustees and other employees of the Charity.

The Board of Trustees meets regularly during the year but delegates the day-to-day running and management of the Charity to the Principal Operating Officer (who is the Director and CEO), who meets with the Chairman of the Board every month. Arrangements for setting pay and remuneration of key management personnel are decided upon by the Chairman and the Principal Operating Officer, and general policy is to increase staff remuneration to compensate for inflation plus a small incentive increase across the board.

The Board of Trustees regularly conducts a full review of the major risks to which the Charity is exposed and has established appropriate systems to mitigate these risks. These risks and the related systems are reviewed regularly by the Board of Trustees, alongside any new risks to which the Charity is exposed.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

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

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

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

Date: 17/11/22

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the financial statements of European College of Business and Management (the 'charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure 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 charitable 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 Trustees' 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 charitable 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 Trustees 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 Trustees 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.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- The nature of the sector and the impact of Covid-19 on financial and operating performance and policies;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the Companies Act, the UK Charities Act, Charities SORP 2019 and the Higher Education SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities, including fraud were in respect of management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Chandra

David Chandra (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 16 February 2023

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Total funds 2022 £	Total funds 2021 £
INCOME			
Tuition fees and education contracts	2	817,977	937,299
Investment income	3	109	277
TOTAL INCOME		818,086	937,576
EXPENDITURE			
Charitable activities:			
Staff costs	4	609,880	696,054
Other operating expenses	5	449,952	328,136
Depreciation		46,642	43,406
Interest and other finance costs	6	5,348	6,162
Loss on disposal of fixed assets		-	747
TOTAL EXPENDITURE		1,111,822	1,074,505
(DEFICIT)/SURPLUS FOR THE YEAR		(293,736)	(136,929)
RECONCILIATION OF RESERVES:			
Total reserves brought forward		1,676,641	1,813,570
Net movement in reserves		(293,736)	(136,929)
TOTAL RESERVES CARRIED FORWARD		1,382,905	1,676,641

The Statement of Comprehensive Income includes all gains and losses recognised in the year.

All income and expenditure in 2021 and 2022 related to unrestricted reserves.

All items of income and expenditure related to continuing activities.

The notes on pages 13 to 22 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee) **REGISTERED NUMBER: 2198970**

BALANCE SHEET

AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
NON-CURRENT ASSETS					
Tangible fixed assets	8		1,062,980		1,073,168
CURRENT ASSETS					
Trade and other receivables	9	303,695		300,369	
Cash and cash equivalents		677,514		946,456	
		981,209		1,246,825	
Creditors: amounts falling due within one year	10	(661,284)		(643,352)	
NET CURRENT ASSETS			319,925		603,473
TOTAL ASSETS LESS CURRENT LIABILITIES			1,382,905		1,676,641
NET ASSETS			1,382,905		1,676,641
CHARITY RESERVES					
Unrestricted reserves	13		1,382,905		1,676,641
TOTAL RESERVES			1,382,905		1,676,641

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

I Redemann
Trustee

Date: 17/11/22

The notes on pages 13 to 22 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (used in)/produced by operating activities	16	(232,597)	(210,602)
Cash flows from investing activities			
Bank interest receivable		109	277
Purchase of tangible fixed assets		(36,454)	(26,309)
Net cash used in investing activities		(36,345)	(26,032)
Change in cash and cash equivalents in the year		(268,942)	(236,634)
Cash and cash equivalents at the beginning of the year		946,456	1,183,090
Cash and cash equivalents at the end of the year	17	677,514	946,456

The notes on pages 13 to 22 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice Accounting for Further and Higher Education (effective 1 January 2019) (FE/HE SORP 2019) and the Companies Act 2006. Where differences arise between the Charities SORP (FRS 102) and the FE/HE SORP 2019 the FE/HE SORP takes precedence.

European College of Business and Management meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is 69-71 Great Eastern Street, London, EC2A 3HU.

1.3 Reserves accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Course fees and related income, net of direct costs, are recognised in the period in which the course takes place.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activity costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

Other operating expenses represent those costs incurred directly in support of expenditure on the objects of the Charity and include project management and costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Equipment	- 20%/30% reducing balance/20% straight line
Property improvements	- 5% straight line

1.8 Trade and other receivables

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income

2. ANALYSIS OF TUITION FEES AND EDUCATION CONTRACTS

	2022 £	2021 £
Course fees and related income	790,222	824,654
Discounts allowed	(2,347)	(1,731)
Other fees	1,080	1,080
Other Income	29,022	113,296
	817,977	937,299

3. INVESTMENT INCOME

	2022 £	2021 £
Bank interest receivable	109	277
	109	277

4. STAFF COSTS

	2022 £	2021 £
Wages and salaries	531,712	603,083
Social security costs	61,846	72,219
Contribution to defined contribution pension schemes	16,322	20,753
	609,880	696,055

4. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Number of Lecturers	5	7
Number administrative staff	10	10
	15	17

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £90,001 - £100,000	1	1

None of the Trustees received any remuneration, benefits in kind or reimbursement of expenses during the year (2021 - £nil).

Total remuneration paid to key management personnel was £114,215 (2021 - £113,770).

5. OTHER OPERATING EXPENSES

	2022 £	2021 £
Advertising	28,225	22,183
Computer costs	10,806	12,470
Accommodation	1,596	1,465
External rent, rates and water	42,538	31,719
Cleaning	20,863	18,956
Repairs and maintenance	22,450	14,869
Insurance	17,512	17,324
General expenses	4,778	3,724
Travel	45,538	13,545
Auditors remuneration	9,600	9,090
Consultancy	135,514	109,080
Telephone	13,847	7,851
Exam fees and associated costs	41,746	28,136
Printing, postage and stationery	17,040	12,600
Light and heat	4,875	2,717
Staff training	3,168	1,731
Legal and professional fees	18,693	10,559
Accountancy	11,163	10,117
	449,952	328,136

6. INTEREST AND OTHER FINANCE COSTS

	2022 £	2021 £
Bank charges	3,597	4,924
Foreign currency loss	1,751	1,238
	5,348	6,162

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

	2022 £	2021 £
Auditors' remuneration - Audit	9,600	8,700
Auditors' remuneration - Other	420	390
Staff pension contributions	16,322	20,753
Depreciation	46,642	43,406
Exchange loss	1,751	1,238

8. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Property improvements £	Total £
Cost or valuation				
At 1 September 2021	1,302,872	125,461	423,311	1,851,644
Additions	-	7,257	29,197	36,454
At 31 August 2022	1,302,872	132,718	452,508	1,888,098
Depreciation				
At 1 September 2021	422,719	112,333	243,424	778,476
Charge for the year	20,059	4,393	22,190	46,642
At 31 August 2022	442,778	116,726	265,614	825,118
Net book value				
At 31 August 2022	860,094	15,992	186,894	1,062,980
At 31 August 2021	880,153	13,128	179,887	1,073,168

Freehold property includes land with a cost of £300,000 (2021 - £300,000) on which depreciation is not provided.

9. TRADE AND OTHER RECEIVABLES

	2022 £	2021 £
Trade receivables	267,081	263,311
Other debtors	4,290	-
Prepayments and accrued income	32,324	37,058
	303,695	300,369

10. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	18,087	7,903
Other taxation and social security	15,294	20,579
Other creditors	21,938	20,164
Accruals and deferred income	605,965	594,706
	661,284	643,352

	2022 £	2021 £
Deferred income at 1 September 2021	577,092	771,751
Resources deferred during the year	592,993	577,092
Amounts released from previous periods	(577,092)	(771,751)
	592,993	577,092

Deferred income relates to tuition fee income received in advance for courses due to commence after 31 August 2022. Also included in deferred income is rental income received in advance of £28,291 (2021 - £nil).

11. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the Charity in a separately administered fund.

The pension costs per the Statement of Comprehensive Income represent contributions due from the company and amounted to £16,322 (2021 - £20,753).

12. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	7,502	12,584
Later than 1 year and not later than 5 years	1,944	9,446
	9,446	22,030

The total lease payments recognised as an expense were £12,584 (2021 - £12,641).

13. STATEMENT OF RESERVES

STATEMENT OF RESERVES - CURRENT YEAR

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted Reserves				
General Reserves	1,676,641	818,086	(1,111,822)	1,382,905

STATEMENT OF RESERVES - PRIOR YEAR

	As restated Balance at 1 September 2020 £	As restated Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted Reserves				
General Reserves	1,813,570	937,576	(1,074,505)	1,676,641

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	2022 £
Tangible fixed assets	1,062,980
Current assets	981,209
Creditors due within one year	(661,284)
	1,382,905

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	2021 £
Tangible fixed assets	1,073,168
Current assets	1,246,825
Creditors due within one year	(643,352)
	1,676,641

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(293,736)	(136,929)
Adjustments for:		
Depreciation charges	46,642	43,405
Bank interest receivable	(109)	(277)
Loss on the sale of fixed assets	-	747
Decrease/(increase) in debtors	(3,329)	110,186
Increase/(decrease) in creditors	17,935	(227,734)
Net cash used in operating activities	(232,597)	(210,602)

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash and cash equivalents	677,514	946,456
Total cash and cash equivalents	677,514	946,456

18. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	946,456	(268,942)	677,514
	946,456	(268,942)	677,514

19. RELATED PARTY TRANSACTIONS

As at 31 August 2022, an amount of £13,487 (2021 - £20,164) was due to ECBM Company Limited By Guarantee, a company which has common directors. The amount is interest free, unsecured and repayable on demand. There were no other related party transactions noted during the year.

20. OMISSION OF STATEMENT OF CHANGES IN RESERVES

Given that the only movement which would be shown on the Statement of Changes in Reserves is the total comprehensive (Deficit)/Surplus shown in the Statement of Comprehensive Income, this primary financial statement has been omitted.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales - Charity number 1042523

Accounts

Registered number: 2198970
Charity number: 1042523

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2021

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	Dr U Hoppe I Redemann Dr E Thorne
Company registered number	2198970
Charity registered number	1042523
Registered office	69-71 Great Eastern Street London EC2A 3HU
Principal Operating Officer	R Bills
Independent auditors	Lubbock Fine LLP Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Barclays Bank plc PO Box No 4578 155 Brompton Road London SW3 1XD Commerzbank 40300 Dusseldorf Germany

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report, which includes the director's report, together with the audited financial statements of the Charity for the year from 1 September 2020 to 31 August 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Trustees

The Trustees who served the charity during the year were as follows:

- Dr U Hoppe
- I Redemann
- Dr E Thorne

Objectives and Activities

The aims and objectives for which the Charity is established are the advancement of education, especially in business studies, and training for employment. This increases employability and skills in a future environment where such skills will be at a premium.

The Charity, when pursuing its objectives, also aims to support individuals who, out of lack of financial means or other reasons, potentially might not be able to benefit from the educational activities provided.

The strategies for achieving the college's aims and objectives are to develop programmes of education and vocational training and deliver them in a way that enables them to participate at the same time as gaining experience at work or in further study elsewhere.

Through its connections with the Brokerage and employers such as Commerzbank, Newton Asset Management and Ruffer LLP, the Charity operates the Higher Education Vocational Traineeship scheme. For the forthcoming year the number of young people recruited on to this programme has been 17 students in years one and two of the programme (lower than in the previous year, but that was a particularly large intake), and 19 continuing onto their top-up Bachelor (90% higher than in the previous year). This continues the record of healthy recruitment on the programme for this type of programme in recent years, and the scheme remains in a stable condition. This long standing programme opens up the possibility of a career in the financial services sector to local people who otherwise would not necessarily have considered such an option (and increasingly do not have the financial means to embark on a higher education course). It also provides a strong boost to diversity in background of recruitment at the College. Local people, and ethnically diverse staff, are evidently under-represented in the financial services industry in the City of London and this activity aims to address this imbalance.

The Charity also provides subsidised education for students who take part in short courses which enhance their understanding of cross-cultural issues, which is of growing importance for the country as we seek to display an outward-facing image to the world post-Brexit and provide young people with the skills to compete globally. The funding these students receive is through the Erasmus Plus project, and this is still potentially available in future notwithstanding the UK's departure from the European Union. Student numbers were substantially affected by the pandemic, and the inability of young people to travel to the College. This has been the key reason for the recording of a deficit in the financial year to 31 August 2021, though there is still 'pent-up' demand for these courses. These restrictions were predicted in the forecast budgets last year, and the College does expect the beginnings of a recovery in student numbers for short courses in this coming year. The Charity would normally also provide free short courses for the Brokerage, for more than 20 local school pupils each year. These are young people who might otherwise not go into careers in the City, and are from local, diverse and underprivileged backgrounds. Although, once again, the pandemic has caused a suspension of this offer, the Charity will be exploring ways to reactivate that connection as we recover from the effects of the pandemic.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Performance

Demand for the Charity's programmes (HND/CML/DML/Bachelor programmes, DSML/MBA programmes and PDPs [Professional Development Programmes]) has been been affected by the restrictions imposed due to the pandemic, though the Vocational Trainee scheme continuing to achieve good numbers. Brexit continues to cast a shadow of uncertainty across business and education, but the main effect has been due to the pandemic, and specifically the travel restrictions on students visiting the College for short courses. There is positive news, in that there remains a clear demand for these courses, and the Charity has budgeted for a recovery in student numbers, starting in the spring and summer of the coming financial year. Expenditure continues to be monitored and controlled and although reserves have been drawn upon in these difficult times, the fact the Charity has built up a strong level of reserves attests to the excellent record of prudent financial management. The Charity continues to be well placed to survive the current conditions, and although the recovery will be gradual, there is certainly a positive outlook for the coming years.

Financial Review

The Charity recorded a deficit of £136,929 in the financial year ending 31 August 2021 (2020 - £355,753). This was a lower figure than expected (approximately £126,000 lower than the predicted and budgeted deficit), and the losses were ameliorated by both the government furlough scheme reducing expenditure and the development of online courses that were able to replace some of the provision for students. The Charity continues to be prudently managed.

Total funds held by the Charity as of 31 August 2021 are £1,676,641 (2020 - £1,813,570). The charity does not hold any restricted funds.

As mentioned in the previous section and in last year's statements, the exit of the UK from the European Union presents challenges which still cannot be fully seen, especially due to the continued effects of the pandemic.

The Charity's reserves policy is to build up reserves which are equivalent to the value (historic costs) of its premises plus half the annual turnover. This has been an important policy, as it has enabled the Charity to maintain its operations during the financial difficulties caused by the pandemic.

Plans for Future Periods

The outlook for 2021/22 is one where the Charity will aim to report a reduction in the deficit but maintain its financial stability. The Charity remains confident that it can maintain a sound overall financial position in the coming financial year, but the recovery from the pandemic will be slower than at first predicted. The Charity aims to break-even, but the situation is constantly developing. The important point to note is that the recovery in demand for courses is still expected in the coming year. The overall aim is to ensure that the services of the Charity continue to be relevant and serve the needs of its beneficiaries.

The UK exited the European Union in January 2020, postponed from March 2019 and October 2019, and it remains the case that this can adversely affect the ability of the Charity to attract numbers on short courses (a mainstay of the College's activities). Plans have been put in place, however, to respond to this challenge, and the fact that Erasmus funding will continue to be available to students on these short courses is an important development for the future.

Structure, Governance and Management

The European College of Business and Management incorporated as a company limited by guarantee on 26 November 1987 and registered as a charity on 1 December 1994.

It is governed by its memorandum and articles of association. There is a strong bond between the charity and the German British Chamber of Industry and Commerce. The Chamber is one of the main supporters of the Charity and has common board members.

The appointment of trustees is regulated by the Charity's Memorandum and Articles of Association. The power of appointment of new trustees lies with the members and existing Board of Trustees. New trustees are recruited based on their attributes and the requirements of the Charity, and are familiarised with the work that the Charity undertakes through meetings and discussions with the Board of Trustees and other employees of the Charity.

The Board of Trustees meets regularly during the year but delegates the day-to-day running and management of the Charity to the Principal Operating Officer (who is the Director and CEO), who meets with the Chairman of the Board every month. Arrangements for setting pay and remuneration of key management personnel are decided upon by the Chairman and the Principal Operating Officer, and general policy is to increase staff remuneration to compensate for inflation plus a small incentive increase across the board.

The Board of Trustees regularly conducts a full review of the major risks to which the Charity is exposed and has established appropriate systems to mitigate these risks. These risks and the related systems are reviewed regularly by the Board of Trustees, alongside any new risks to which the Charity is exposed.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

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

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

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

Date: 18/11/21

Opinion

We have audited the financial statements of European College of Business and Management (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure 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 charitable 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 Trustees' 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 charitable 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 Trustees 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 Trustees 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.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- The nature of the sector and the impact of Covid 19 on financial and operating performance and policies;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations.
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included th UK Charities Act, Charities SORP 2019 and Higher Education SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to fraud were in respect of management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Chandra

David Chandra (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 13 December 2021

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Total funds 2021 £	As restated Total funds 2020 £
INCOME			
Tuition fees and education contracts	2	937,299	1,268,727
Investment income		277	1,878
TOTAL INCOME		937,576	1,270,605
EXPENDITURE			
Charitable activities:			
Staff costs		696,054	791,801
Other operating expenses	4	328,136	767,108
Depreciation	5	43,406	43,767
Interest and other finance costs	7	6,162	23,682
Loss on disposal of fixed assets	8	747	-
TOTAL EXPENDITURE		1,074,505	1,626,358
(DEFICIT)/SURPLUS FOR THE YEAR		(136,929)	(355,753)
RECONCILIATION OF RESERVES:			
Total reserves brought forward		1,813,570	2,169,323
Net movement in reserves		(136,929)	(355,753)
TOTAL RESERVES CARRIED FORWARD		1,676,641	1,813,570

The Statement of Comprehensive Income includes all gains and losses recognised in the year.

All income and expenditure in 2020 and 2021 related to unrestricted reserves.

All items of income and expenditure related to continuting activities.

The notes on pages 13 to 23 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee) **REGISTERED NUMBER: 2198970**

BALANCE SHEET

AS AT 31 AUGUST 2021

	Note		2021 £		As restated 2020 £
NON-CURRENT ASSETS					
Tangible fixed assets	8		1,073,168		1,091,010
CURRENT ASSETS					
Trade and other receivables	9	300,369		410,556	
Cash and cash equivalents		946,456		1,183,090	
		1,246,825		1,593,646	
Creditors: amounts falling due within one year	10	(643,352)		(867,906)	
NET CURRENT ASSETS			603,473		725,740
TOTAL ASSETS LESS CURRENT LIABILITIES			1,676,641		1,816,750
Creditors: amounts falling due after more than one year	11		-		(3,180)
NET ASSETS			1,676,641		1,813,570
CHARITY RESERVES					
Unrestricted reserves	15		1,676,641		1,813,570
TOTAL RESERVES			1,676,641		1,813,570

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr U Hoppe
Trustee

I Redemann
Trustee

Date: 18/11/21

The notes on pages 13 to 23 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	As restated 2020 £
Cash flows from operating activities			
Net cash (used in)/produced by operating activities	18	(210,602)	(224,140)
Cash flows from investing activities			
Bank interest receivable		277	1,878
Purchase of tangible fixed assets		(26,309)	(2,367)
Net cash used in investing activities		(26,032)	(489)
Change in cash and cash equivalents in the year		(236,634)	(224,629)
Cash and cash equivalents at the beginning of the year		1,183,090	1,407,719
Cash and cash equivalents at the end of the year	19	946,456	1,183,090

The notes on pages 13 to 23 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice Accounting for Further and Higher Education (effective 1 January 2019) (FE/HE SORP 2019) and the Companies Act 2006. Where differences arise between the Charities SORP (FRS 102) and the FE/HE SORP 2019 the FE/HE SORP takes precedence.

European College of Business and Management meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is 69-71 Great Eastern Street, London, EC2A 3HU.

1.3 Reserves accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Course fees and related income, net of direct costs, are recognised in the period in which the course takes place.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activity costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

Other operating expenses represent those costs incurred directly in support of expenditure on the objects of the Charity and include project management and costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Equipment	- 20%/30% reducing balance/20% straight line
Property improvements	- 5% straight line

1.8 Trade and other receivables

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income

2. ANALYSIS OF TUITION FEES AND EDUCATION CONTRACTS

	2021 £	As restated 2020 £
Course fees and related income	824,654	1,218,848
Discounts allowed	(1,731)	(3,032)
Other fees	1,080	1,050
Other Income	113,296	51,861
	937,299	1,268,727

3. INVESTMENT INCOME

	2021 £	2020 £
Bank interest receivable	277	1,878
	277	1,878

4. STAFF COSTS

	2021 £	2020 £
Wages and salaries	603,083	703,183
Social security costs	72,219	69,794
Contribution to defined contribution pension schemes	20,753	18,824
	696,055	791,801

4. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Number of Lecturers	7	7
Number administrative staff	10	11
	17	18

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £90,001 - £100,000	1	1

None of the Trustees received any remuneration, benefits in kind or reimbursement of expenses during the year (2020 - £nil).

Total remuneration paid to key management personnel was £113,770 (2020 - £113,791).

5. OTHER OPERATING EXPENSES

	2021 £	2020 £
Advertising	22,183	101,574
Computer costs	12,470	16,152
Accomodation	1,465	129,259
External rent, rates and water	31,719	49,921
Cleaning	18,956	24,597
Repairs and maintenance	14,869	20,297
Insurance	17,324	17,533
General expenses	3,724	6,136
Travel	13,545	72,785
Auditors remuneration	9,090	7,501
Consultancy	109,080	193,829
Telephone	7,851	10,530
Exam fees and associated costs	28,136	63,436
Printing, postage and stationery	12,600	14,270
Light and heat	2,717	5,412
Bad debts	-	5,250
Staff training	1,731	4,789
Legal and professional fees	10,559	13,568
Accountancy	10,117	10,270
	328,136	767,109

6. INTEREST AND OTHER FINANCE COSTS

	2021 £	2020 £
Bank charges	4,924	6,816
Foreign currency loss	1,238	16,867
	6,162	23,683

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

	2021 £	2020 £
Depreciation of tangible fixed assets: - owned by the charity	43,405	43,765
Auditors' remuneration - Audit	8,700	7,500
Auditors' remuneration - Other	390	-
Staff pension contributions	20,753	18,824
Exchange loss	1,238	16,867

8. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Property improvements £	Total £
Cost or valuation				
At 1 September 2020	1,302,872	126,466	401,485	1,830,823
Additions	-	4,483	21,826	26,309
Disposals	-	(5,488)	-	(5,488)
At 31 August 2021	1,302,872	125,461	423,311	1,851,644
Depreciation				
At 1 September 2020	402,664	113,800	223,349	739,813
Charge for the year	20,055	3,275	20,075	43,405
On disposals	-	(4,742)	-	(4,742)
At 31 August 2021	422,719	112,333	243,424	778,476
Net book value				
At 31 August 2021	880,153	13,128	179,887	1,073,168
At 31 August 2020	900,208	12,666	178,136	1,091,010

Freehold property includes land with a cost of £300,000 (2020 - £300,000) on which depreciation is not provided.

9. TRADE AND OTHER RECEIVABLES

	2021 £	2020 £
Trade receivables	263,311	360,828
Other debtors	-	10,474
Prepayments and accrued income	37,058	39,254
	300,369	410,556

10. CREDITORS: Amounts falling due within one year

	2021 £	As restated 2020 £
Trade creditors	7,903	14,011
Other taxation and social security	20,579	19,890
Other creditors	20,164	-
Accruals and deferred income	594,706	834,005
	643,352	867,906

	2021 £	As restated 2020 £
Deferred income at 1 September 2020	771,751	845,774
Resources deferred during the year	577,092	771,751
Amounts released from previous periods	(771,751)	(845,774)
	577,092	771,751

Deferred income relates to tuition fee income received in advance for courses due to commence after 31 August 2021.

11. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Accruals and deferred income	-	3,180

12. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the Charity in a separately administered fund.

The pension costs per the Statement of Comprehensive Income represent contributions due from the company and amounted to £20,753 (2020 - £18,824).

13. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made for income that should have been deferred as at 31 August 2020 in respect of a course which commenced in Autumn 2019 and ended in Spring 2021. This has resulted in a decrease in prior year tuition fee income, an increase in the prior year deficit, an increase in deferred income and a decrease in closing reserves as at 31 August 2020 by £35,867.

14. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	2,762	2,819
Later than 1 year and not later than 5 years	4,535	7,297
	7,297	10,116

The total lease payments recognised as an expense were £2,819 (2020 - £2,819).

15. STATEMENT OF RESERVES

STATEMENT OF RESERVES - CURRENT YEAR

	As restated Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted Reserves				
General Reserves	1,813,570	937,576	(1,074,505)	1,676,641

STATEMENT OF RESERVES - PRIOR YEAR

	Balance at 1 September 2019 £	As restated Income £	Expenditure £	As restated Balance at 31 August 2020 £
Unrestricted Reserves				
General Reserves	2,169,323	1,270,605	(1,626,358)	1,813,570

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	2021 £
Tangible fixed assets	1,073,168
Current assets	1,246,825
Creditors due within one year	(643,352)
Creditors due in more than one year	-
	1,676,641

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	As restated 2020 £
Tangible fixed assets	1,091,010
Current assets	1,593,646
Creditors due within one year	(867,906)
Creditors due in more than one year	(3,180)
	1,813,570

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	As restated 2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(136,929)	(355,753)
Adjustments for:		
Depreciation charges	43,405	43,765
Bank interest receivable	(277)	(1,878)
Loss on the sale of fixed assets	747	-
Decrease in debtors	110,186	164,467
Decrease in creditors	(227,734)	(74,741)
Net cash used in operating activities	(210,602)	(224,140)

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash and cash equivalents	946,456	1,183,090
Total cash and cash equivalents	946,456	1,183,090

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	1,183,090	(236,634)	946,456
	1,183,090	(236,634)	946,456

21. RELATED PARTY TRANSACTIONS

As at 31 August 2021, an amount of £20,164 (2020 - £10,474) was due to (2020 - due from) ECBM Company Limited By Guarantee, a company which has common directors. The amount is interest free, unsecured and repayable on demand. There were no other related party transactions noted during the year.

22. OMISSION OF STATEMENT OF CHANGES IN RESERVES

Given that the only movement which would be shown on the Statement of Changes in Reserves is the total comprehensive (Deficit)/Surplus shown in the Statement of Comprehensive Income, this primary financial statement has been omitted.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

England & Wales - Charity number 1042523

Accounts

Registered number: 2198970
Charity number: 1042523

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

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EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A company Limited By Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	Dr U Hoppe I Redemann Dr E Thorne
Company registered number	2198970
Charity registered number	1042523
Registered office	69-71 Great Eastern Street London EC2A 3HU
Principal Operating Officer	R Bills
Independent auditors	Lubbock Fine LLP Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Barclays Bank plc PO Box No 4578 155 Brompton Road London SW3 1XD Commerzbank 40300 Dusseldorf Germany

The Trustees present their annual report, which includes the director's report, together with the audited financial statements of the Charity for the year from 1 September 2019 to 31 August 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Trustees

The Trustees who served the charity during the year were as follows:

- Dr U Hoppe
- I Redemann
- Dr E Thorne

Objectives and Activities

The aims and objectives for which the Charity is established are the advancement of education, especially in business studies, and training for employment. This increases employability and skills in a future environment where such skills will be at a premium.

The Charity, when pursuing its objectives, also aims to support individuals who, out of lack of financial means or other reasons, potentially might not be able to benefit from the educational activities provided.

The strategies for achieving the college's aims and objectives are to develop programmes of education and vocational training and deliver them in a way that enables them to participate at the same time as gaining experience at work or in further study elsewhere.

Through its connections with the Brokerage and employers such as Commerzbank, Newton Asset Management, Ruffer LLP and State Street Bank the Charity operates the Higher Education Vocational Traineeship scheme. For the forthcoming year the number of young people recruited on to this programme has been 31 students in years one and two of the programme, and 11 continuing onto their top-up Bachelor. This continues the record of healthy recruitment on the programme for this type of programme in recent years, and the scheme is going from strength to strength. This long standing programme opens up the possibility of a career in the financial services sector to local people who otherwise would not necessarily have considered such an option (and increasingly do not have the financial means to embark on a higher education course). It also provides a strong boost to diversity in background of recruitment at the College. Local people, and ethnically diverse staff, are evidently under-represented in the financial services industry in the City of London and this activity aims to address this imbalance. Tuition has been maintained on these programmes during the pandemic through a mixture of on-line and in person sessions.

The Charity also provides subsidised education for students who take part in short courses which enhance their understanding of cross-cultural issues, which is of growing importance for the country as we seek to display an outward-facing image to the world and provide young people with the skills to compete globally. Numbers are down on the previous year for short courses (PDPs [Professional Development Programmes] as they are termed) with activity buoyant until the CoVid pandemic in January 2020, but no activity since then until the end of the financial year, due to the situation that has affected the entire economy. The Charity continues to offer free short courses for the Brokerage, for more than 20 local school pupils, but again this has been held in suspension due to the effects of the pandemic. These are young people who might otherwise not go into careers in the City, and are from local, diverse and underprivileged backgrounds.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Performance

Demand for the Charity's programmes (HND/CML/DML/Bachelor programmes and DSML/MBA programmes) has been very good, with the Vocational Trainee scheme continuing to achieve good numbers in particular. However, due to the pandemic PDPs have had to be suspended. This is the issue leading to much of the loss in income for the past financial year. Brexit continues to cast a shadow of uncertainty across business and education, but there has not been a significant effect on income. As reported in previous statements, because of the benefits of a lower pound/euro exchange rate, there has actually been a positive financial effect. This is only a short term advantage, because the situation between the EU and the UK with regards to Brexit is still developing. To restate what was known before - the College is prepared for substantial shocks and has had to cope with such an event in the past financial year. Expenditure continues to be monitored and controlled and reserves maintained as a prudent response to this shock. The Charity has undergone an unforeseen loss due to the pandemic especially, but continues to be well placed to rebound when conditions improve and can survive the current conditions due to its very good financial management.

Financial Review

The Charity recorded a deficit of £319,886 in the financial year ending 31 August 2020, as opposed to a surplus of £144,055 in 2019. The losses were in major part due to the pandemic and the suspension of all professional development short courses after January 2020. As these courses are at least 40% of our usual income, the effect has been substantial.

Total funds held by the Charity as of 31 August 2020 are £1,849,437 (2019 - £2,169,323). The charity does not hold any restricted funds.

As mentioned in the previous section and in last year's statements, the exit of the UK from the European Union presents challenges which still cannot be fully seen, but at the moment the immediate effect of lowering the sterling/euro exchange rate has continued to be of benefit to the Charity.

The Charity's reserves policy is to build up (over the next 5 years) reserves which are equivalent to the value (historic costs) of its premises plus half the annual turnover. This will be used if the charity encounters financial difficulties in the future.

Plans for Future Periods

The outlook for 2020/21 is one where the Charity will continue to report a (reduced) loss but maintain its financial stability. The Charity remains confident that it can weather the storms affecting all sectors at the moment. The effects of Brexit and the pandemic especially will be felt in the coming year as well, and the Charity again will expect a loss, though a smaller one than the present reported figures. We do have the intention to maintain a sound financial position in the coming financial year, as the balance sheet and bank balance are expected to remain in a healthy position. The overall aim is to ensure that the services of the Charity continue to be relevant and serve the needs of its beneficiaries.

The UK left the European Union in January 2020, and it remains the case that this will adversely affect the ability of the Charity to attract numbers on PDP courses (a mainstay of the College's activities). It is for this reason that the Charity needs to hold a sizeable bank balance as the prospects of a 'hard Brexit' could be fundamentally damaging to the Charity in the future.

In order to ensure the future running of the PDP courses post-Brexit, a separate but similar organisation (ECBM CLG) has been established in the Republic of Ireland. This required the use of time by staff employed by the Charity, and since this new organisation has similar aims to the Charity, these activities were carried out pro bono.

Structure, Governance and Management

The European College of Business and Management incorporated as a company limited by guarantee on 26 November 1987 and registered as a charity on 1 December 1994.

It is governed by its memorandum and articles of association. There is a strong bond between the charity and the German British Chamber of Industry and Commerce. The Chamber is one of the main supporters of the Charity and has common board members.

The appointment of trustees is regulated by the Charity's Memorandum and Articles of Association. The power of appointment of new trustees lies with the members and existing Board of Trustees. New trustees are recruited based on their attributes and the requirements of the Charity, and are familiarised with the work that the Charity undertakes through meetings and discussions with the Board of Trustees and other employees of the Charity.

The Board of Trustees meets regularly during the year but delegates the day-to-day running and management of the Charity to the Principal Operating Officer (who is the Director and CEO), who meets with the Chairman of the Board every month. Arrangements for setting pay and remuneration of key management personnel are decided upon by the Chairman and the Principal Operating Officer, and general policy is to increase staff remuneration to compensate for inflation plus a small incentive increase across the board.

The Board of Trustees regularly conducts a full review of the major risks to which the Charity is exposed and has established appropriate systems to mitigate these risks. These risks and the related systems are reviewed regularly by the Board of Trustees, alongside any new risks to which the Charity is exposed.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material partures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

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

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

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr U Hoppe
Trustee
Date: 12/05/2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of European College of Business and Management (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure 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 charitable 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

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. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Chandra

David Chandra (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 24 May 2021

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Total funds 2020 £	Total funds 2019 £
INCOME			
Tuition fees and education contracts	2	1,304,594	2,030,444
Investment income	3	1,878	2,879
TOTAL INCOME		1,306,472	2,033,323
EXPENDITURE			
Charitable activities:			
Staff costs	4	791,801	765,489
Other operating expenses	5	767,108	1,077,585
Depreciation	7	43,767	43,556
Interest and other finance costs	6	23,682	2,638
TOTAL EXPENDITURE		1,626,358	1,889,268
(DEFICIT)/SURPLUS FOR THE YEAR		(319,886)	144,055
RECONCILIATION OF RESERVES:			
Total reserves brought forward		2,169,323	2,025,268
Net movement in reserves		(319,886)	144,055
TOTAL RESERVES CARRIED FORWARD		1,849,437	2,169,323

The Statement of Comprehensive Income includes all gains and losses recognised in the year.

All income and expenditure in 2020 and 2019 related to unrestricted reserves.

All items of income and expenditure related to continuting activities.

The notes on pages 12 to 21 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee) **REGISTERED NUMBER: 2198970**

BALANCE SHEET

FOR THE YEAR ENDED 31 AUGUST 2020

	Note		2020 £		2019 £
NON-CURRENT ASSETS					
Tangible fixed assets	8		1,091,010		1,132,408
CURRENT ASSETS					
Trade and other receivables	9	410,556		575,023	
Cash and cash equivalents		1,183,090		1,407,719	
		1,593,646		1,982,742	
Creditors: amounts falling due within one year	10	(832,039)		(945,107)	
NET CURRENT ASSETS			761,607		1,037,635
TOTAL ASSETS LESS CURRENT LIABILITIES			1,852,617		2,170,043
Creditors: amounts falling due after more than one year	11		(3,180)		(720)
NET ASSETS			1,849,437		2,169,323
CHARITY RESERVES					
Unrestricted reserves	14		1,849,437		2,169,323
TOTAL RESERVES			1,849,437		2,169,323

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

I Redemann
Trustee

Dr U Hoppe
Trustee

Date: 12/05/21

The notes on pages 12 to 21 form part of these financial statements.

EUROPEAN COLLEGE OF BUSINESS AND MANAGEMENT
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/produced by operating activities	17	(222,259)	292,266
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,370)	(22,006)
Net cash used in investing activities		(2,370)	(22,006)
Change in cash and cash equivalents in the year		(224,629)	270,260
Cash and cash equivalents at the beginning of the year		1,407,719	1,137,459
Cash and cash equivalents at the end of the year	18	1,183,090	1,407,719

The notes on pages 12 to 21 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice Accounting for Further and Higher Education (effective 1 January 2019) (FE/HE SORP 2019) and the Companies Act 2006. Where differences arise between the Charities SORP (FRS 102) and the FE/HE SORP 2019 the FE/HE SORP takes precedence.

European College of Business and Management meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Charity is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is 69-71 Great Eastern Street, London, EC2A 3HU.

1.3 Reserves accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Course fees and related income, net of direct costs, are recognised in the period in which the course takes place.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activity costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Expenditure (CONTINUED)

All expenditure is inclusive of irrecoverable VAT.

Other operating expenses represent those costs incurred directly in support of expenditure on the objects of the Charity and include project management and costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Equipment	- 20%/30% reducing balance/20% straight line
Property improvements	- 5% straight line

1.8 Trade and other receivables

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income

2. ANALYSIS OF TUITION FEES AND EDUCATION CONTRACTS

	2020 £	2019 £
Course fees and related income	1,254,715	1,979,730
Discounts allowed	(3,032)	(1,467)
Other fees	1,050	710
Other Income	51,861	51,471
	1,304,594	2,030,444

3. INVESTMENT INCOME

	2020 £	2019 £
Bank interest receivable	1,878	2,879
	1,878	2,879

4. STAFF COSTS

	2020 £	2019 £
Wages and salaries	703,183	678,464
Social security costs	69,794	70,509
Contribution to defined contribution pension schemes	18,824	16,516
	791,801	765,489

4. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Number of Lecturers	7	7
Number administrative staff	11	10
	18	17

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £90,001 - £100,000	1	1

None of the Trustees received any remuneration, benefits in kind or reimbursement of expenses during the year (2019 - £nil).

Total remuneration paid to key management personnel was £113,791 (2019 - £111,099).

5. OTHER OPERATING EXPENSES

	2020 £	2019 £
Advertising	101,574	85,233
Computer costs	16,152	15,479
Accomodation	129,259	386,325
External rent, rates and water	49,921	58,176
Cleaning	24,597	26,623
Repairs and maintenance	20,297	21,527
Insurance	17,533	16,023
General expenses	6,136	7,828
Travel	72,785	97,112
Auditors remuneration	7,501	8,700
Consultancy	193,829	216,692
Telephone	10,530	6,504
Exam fees and associated costs	63,436	56,622
Printing, postage and stationery	14,270	21,230
Light and heat	5,412	6,649
Bad debts	5,250	13,224
Staff training	4,789	7,978
Legal and professional fees	13,568	15,252
Accountancy	10,270	10,408
	767,109	1,077,585

6. INTEREST AND OTHER FINANCE COSTS

	2020 £	2019 £
Bank charges	6,816	11,214
Foreign currency loss / (gain)	16,867	(8,576)
	23,683	2,638

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

	2020 £	2019 £
Depreciation of tangible fixed assets: - owned by the charity	43,765	43,556
Auditors' remuneration - Audit	6,000	7,200
Auditors' remuneration - Other	1,500	1,500
Staff pension contributions	18,824	16,516
Exchange (gain) / loss	16,867	(8,576)

8. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Property improvements £	Total £
COST OR VALUATION				
At 1 September 2019	1,302,872	124,099	401,485	1,828,456
Additions	-	2,367	-	2,367
At 31 August 2020	1,302,872	126,466	401,485	1,830,823
DEPRECIATION				
At 1 September 2019	382,607	110,166	203,275	696,048
Charge for the year	20,057	3,634	20,074	43,765
At 31 August 2020	402,664	113,800	223,349	739,813
NET BOOK VALUE				
At 31 August 2020	900,208	12,666	178,136	1,091,010
At 31 August 2019	920,265	13,933	198,210	1,132,408

Freehold property includes land with a cost of £300,000 (2019 - £300,000) on which depreciation is not provided.

9. TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Trade receivables	360,828	510,850
Other debtors	10,474	285
Prepayments and accrued income	39,254	63,888
	410,556	575,023

10. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	14,011	50,973
Other taxation and social security	19,890	20,261
Accruals and deferred income	798,138	873,873
	832,039	945,107

	2020 £	2019 £
Deferred income at 1 September 2019	845,774	957,256
Resources deferred during the year	735,884	845,774
Amounts released from previous periods	(845,774)	(957,256)
	735,884	845,774

Deferred income relates to tuition fee income received in advance for courses due to commence after 31 August 2020.

11. CREDITORS: Amounts falling due after more than one year

	2020 £	2019 £
Accruals and deferred income	3,180	720

12. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the Charity in a separately administered fund.

The pension costs per the Statement of Comprehensive Income represent contributions due from the company and amounted to £18,824 (2019 - £16,516).

13. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	2,819	2,819
Later than 1 year and not later than 5 years	7,297	10,117
	10,116	12,936

The total lease payments recognised as an expense were £2,819 (2019 - £3,576).

14. STATEMENT OF RESERVES

STATEMENT OF RESERVES - CURRENT YEAR

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted Reserves				
General Reserves	2,169,323	1,306,472	(1,626,358)	1,849,437

STATEMENT OF RESERVES - PRIOR YEAR

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
Unrestricted Reserves				
General Reserves	2,025,268	2,033,323	(1,889,268)	2,169,323

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	2020 £
Tangible fixed assets	1,091,010
Current assets	1,593,646
Creditors due within one year	(832,039)
Creditors due in more than one year	(3,180)
	1,849,437

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	2019 £
Tangible fixed assets	1,132,408
Current assets	1,982,742
Creditors due within one year	(945,107)
Creditors due in more than one year	(720)
	2,169,323

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(319,886)	144,055
ADJUSTMENTS FOR:		
Depreciation charges	43,767	43,556
Decrease in debtors	164,468	252,074
Decrease in creditors	(110,608)	(147,419)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(222,259)	292,266

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash and cash equivalents	1,183,090	1,407,719
TOTAL CASH AND CASH EQUIVALENTS	1,183,090	1,407,719

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash at bank and in hand	1,407,719	(224,629)	1,183,090
	1,407,719	(224,629)	1,183,090

20. RELATED PARTY TRANSACTIONS

As at 31 August 2020, an amount of £10,474 (2019 - £nil) was due from ECBM Company Limited By Guarantee, a company which has common directors. The amount is interest free, unsecured and repayable. There were no other related party transactions noted during the year.

21. OMISSION OF STATEMENT OF CHANGES IN RESERVES

Given that the only movement which would be shown on the Statement of Changes in Reserves is the total comprehensive (Deficit)/Surplus shown in the Statement of Comprehensive Income, this primary financial statement has been omitted.