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**MONT ROSE<sup>®</sup>**  
**COLLEGE**



## **ANNUAL REPORT 2023**

**Annual Report and the Financial Statements for the year  
ended 31st August 2023**

**MONT ROSE COLLEGE OF MANAGEMENT AND SCIENCES LIMITED**

A private company limited by shares and registered in England and Wales under number 05809678. Registered address: M R C  
Mont Rose House 412-416 Eastern Avenue, Ilford, England, IG2 6NQ





# **Mont Rose College of Management and Sciences Limited**

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M R C Mont Rose House 412-416 Eastern Avenue, Ilford, England, IG2 6NQ



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## CEO's Message

Mont Rose College of Management and Sciences Limited is committed to providing excellent academic experience to its students.

I feel colossal contentment and elated to present the Annual Report and financial statements of Mont Rose College of Management and Sciences Limited for FY 2023. The year has marked the 17th anniversary of the College. Since its inception in 2006, Mont Rose College of Management and Sciences Limited has offered Pearson BTEC Higher National Diplomas in Business Marketing, Accounting and Finance, International Hospitality Management, Diploma in Education and Training , and Healthcare Practice (Healthcare Management). The College also delivers degrees in Business Management, Hospitality Management, Accounting and Finance, Computing, and Integrated Health and Social Care in partnership with the Buckinghamshire New University. Despite undergoing many changes in its infrastructure and the development of additional learning

facilities in Redbridge, the College's mission has always been to transform lives through inspiring employment and professionally focused qualifications, enabling people to impact society positively. Mont Rose College of Management and Sciences Limited pays particular attention to transforming the lives of disadvantaged groups by providing them with finest teaching and learning experiences and supporting them to excel in their careers. As the College believes in inclusivity, college students and staff arranged many outdoor activities to unite the community by participating in McMillan Coffee Morning, organising BBQs, and celebrating national days.

Despite soaring inflation rates, economic challenges, and COVID-19 aftershocks, Mont Rose College of Management and Sciences Limited followed its legacy of celebrating students' achievements and has recently been awarded the TEF Silver award in recognition of its excellent services.



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**Mont Rose College of Management and Sciences offers a truly dynamic and diverse learning environment set in the heart of one of the world's greatest cities, London.**



In summary, regardless of the ongoing challenges posed by post-pandemic effects and economic downturn, the college staff, students, and stakeholders supported the whole operation during these unprecedented times. The College has emerged in very robust shape this year, performing well against our strategic goals and targets.

*Mr B Sheikh*

**CEO**



# Principal's Message



At Mont Rose College of Management and Sciences Limited, we take great pride in serving our native communities while meeting local, regional, and national needs. The College is a welcoming, supportive, inclusive, and safe place to study, socialise, and enjoy.

Mont Rose College of Management and Sciences Limited has been serving the local community since its inception in 2006 by delivering high-quality academic services and excellent teaching and learning experience by ensuring students access exciting professional development opportunities, including trips, visits, work experience, work placements, guest speakers, and various clubs and other enrichment activities.

Our state-of-the-art purpose-built campuses make us different from competitors. We support our students to progress after completing their courses and help arrange placements and jobs through our developed network of employers. Furthermore, we provide a range of courses offering progression routes to a degree, apprenticeship, or employment.

As part of the course, we educate our students to be future leaders by teaching them the latest case studies, research, and practical skills. We provide

them opportunities to conduct research and publish them in our MRC Journal of Academic Reviews.

At Mont Rose College of Management and Sciences Limited, we value inclusion, diversity and equality and believe that if we work in partnership with the local community, understand the collective challenges, and face them together, we can make a difference.



*Sayeda Zain*

**Principal**





# Director's Report

## Mont Rose College of Management and Sciences Limited

Directors' Report for the year ended 31 August 2023

### Principal Activity

The company's principal activity is to provide Higher Education Degrees and Degree Pathway Programmes to the local community, mature learners and learners from disadvantaged backgrounds.

### Directors

Directors who held the office during the year and up to the date of signature of the financial statement were as follows: Mr Bilal Sheikh

### Future Developments

The Director considers the future developments covered in the Strategic Report pages 12-35.

### Governance Review

The Director considers the Governance Review covered in the Corporate Governance Report pages 36-40.

### Financial Review

The Director considers the Financial Review covered in the Strategic Report pages 28-35.

### Risk Management

The Director considers Principal Risks and Risk Management covered in Internal Control Statement-pages 44-49.

### Dividends

No dividends were distributed for the year ended 31 August 2023.

### Auditor

Parvez & Co. Auditor is deemed to be reappointed under section 487(2) of the Companies Act 2006.



## **Statement of the Directors' Responsibilities**

The Board of Governors (BOG), which includes the directors, is responsible for preparing the Governor's Report and the financial statements in accordance with the Office for Students' Terms and Conditions of Funding for Higher Education Institutions and applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The terms and conditions of the funding further require the financial statements to be prepared according to the 2019 Statement of Recommended Practices – Accounting for Further and Higher Education, following the requirements of the Accounts Direction issued by the Office for Students.

Under Company Law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and its income and expenditures, gains and losses and changes in reserves for the financial year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or cease operations or have no realistic alternative but to do so.

The Board of Governors is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy the financial position of the company at any time, and ensure that the financial statements comply with the Companies Act 2006. The BOG is responsible for such internal controls as they determine necessary to enable the preparation of financial statements that are free

from material misstatements, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**The Board of Governors is also responsible for ensuring that:**

- Funds from whatever source administered by the company for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- Funds provided by the Office for Students have been applied in accordance with the terms and conditions attached to them;
- There are appropriate financial and management controls in place to safeguard public funds and funds from other sources and
- The economic, efficient and effective management of the company's resources and expenditure is secured.

The Board of Governors is responsible for maintaining the integrity of the corporate and financial information on the College's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**A Statement as to Disclosure of Information to Auditors**

So far as the Director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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Approved by the Board of Governors on 5<sup>th</sup> January, 2024 and signed on its behalf by



**Mr Bilal Sheikh**

Director





# Strategic Report

## **Academic Review**

Mont Rose College of Management and Sciences Limited overarching strategic aim is to transform the students' lives through an inclusive education where all students, regardless of their background, can achieve their full potential. This overarching strategic aim is incorporated into the MRC Teaching and Learning Strategy and Access and Participation Plan. The College's strategic aim is also to develop subject knowledge, critical thinking, analytical reasoning, problem-solving, interpersonal skills, team working, leadership, and employability skills. (MRC Teaching and Learning Strategy, 2021-2023), (MRC Access and Participation Plan, 2020-25)

Mont Rose College of Management and Sciences Limited is committed to developing a high-quality, diverse, professional workforce and student body that work together to achieve strategic priorities and strengthen leadership and governance capability. Equality of opportunity and transparent procedures for challenging discrimination, harassment, and unacceptable behaviour are embedded and monitored through equality and diversity impact measures. The teachers assign academic mentors to all students with special needs for their study period. These academic mentors provide



the students with the necessary guidance and help to keep track of their performance (MRC Strategic Plan, 2019-2024)

### **Strategic Goals**

1. Provide and deliver high-quality education, learning, and assessment across the whole College.
2. Provide relevant and supportive opportunities to all our students.
3. Support the professional development of staff.
4. Improve our services for learners with learning difficulties and disabilities.
5. Embed e-learning opportunities within all courses at the College.
6. Respect and promote diversity.

(MRC Strategic Plan, 2019-2024)

To provide more flexible higher education courses which meet the changing educational, cultural, personal and career needs of students of all ages in FY 2023, Mont Rose College of Management and Sciences Limited has increased human resources for planning and enhancing effective curriculum, student support, industry engagement, technological integration, etc. The College introduced a new unit to its Level 4-5 programmes. "Professional Identity and Practice"- to improve students' employability. The programme will allow the teachers to guide the students in developing their career prospectus. In particular, the College engaged with the employer network more effectively and arranged events where employers discussed their employment needs. The College also upgraded its "Business Angels" entrepreneurship programme, encouraging all Level 4-5 students to observe or present their business cases to external judges from the related sectors. The College also offered free academic skills modules to all Level 4-5 entrants for the first semester of their course as a non-credit module to enhance student outcomes.

For FY 2024, the College aims to further collaborate with local industries to establish work-based learning programs and work placements for level 4-5 students, engaging external mentors from related sectors. These initiatives will provide students with hands-on experience, allowing them to apply theoretical knowledge in real-world scenarios.

## Research Centre

Our Research Centre's goals are to establish links with the industry, external stakeholders, and local communities, apply for consultancy projects, research projects, and grants (e.g., Knowledge Transfer Partnerships), increase the impact of the MRC academic journal (Journal of Academic Reviews), assist in the assessment of the research quality by providing assurance of its research performance using international standards. (MRC Strategic Plan, 2019-2024)

The Centre's purpose is to conduct research that will bring together the interests of its staff and its various stakeholders (students, partner institutions and the local community). In collaboration with its stakeholders, Mont Rose College of Management and Sciences Limited sets up research projects continuously, which promote academic values and scientific expertise. Many of the Centre's research projects focus on themes relevant to the local communities with which we are connected.

The Journal of Academic Reviews (JAR) is at the heart of the Research Centre. Paralleling the Research Centre's activities, articles published by JAR promote, enhance, and increase the visibility of the Centre to the academic environment and our stakeholders. JAR has been structured to serve all the disciplines at Mont Rose College of Management and Sciences Limited.

Research has paramount importance in academia and is important for teachers and students alike as it creates new ideas, arguments, and outcomes associated with the learning process. Academic enquiry involves asking questions and developing answers through critical thinking and thoughtful reflection and plays a pivotal role in keeping the teacher-researcher up to date. Engagement and critical reflection are essential in preparing teachers and students for a global society.

JAR's focus is four themes:

- Business and Innovation-marketing, management risk, operations, total quality management, entrepreneurship, strategy, e-commerce, SMEs, logistics/supply chains, leadership, Human Resource Management, Corporate Social Responsibility, data mining, business psychology, business education, corporate finance, corporate

governance, disruptive technologies, equity capital markets, ethics, microfinance, access to credit, credit unions, personal finance, training and development, recruitment and selection, social media, banking, consulting.

- Hospitality and Sustainability- tourism, leisure, climate change, sports and recreation, service quality, culture, dark tourism, social media, volunteer tourism, poverty reduction, digital world, Airbnb, Brexit impact on the UK hospitality, events management, micro tourism, tourism in developing countries.
- Teaching and Education- E-learning, curriculum development, assessment and attainment, school reform, health and child development, government policies, blended learning, pedagogy, massive open online courses, assessment and delivery, class attendance, finance in education, hospitality education.
- Health and Social Care- NHS finances and performance (GPs, mental health, community services), NHS reform (ageing population, public health), social care quality, care home provision, domestic violence/abuse, alcoholism, adult healthcare learners, epigenetic factors, chronic pain.

## **IMBA**

Mont Rose College of Management and Sciences Limited has recently introduced IMBA (International Master of Business Administration) in partnership with Buckinghamshire New University. The programme's structure runs 12-15 months, with 180 credits being attained over this period. Teaching sessions comprise a range of activities, including interactive lectures, discussions, group work, presentations and business simulation games that contribute significantly to developing skills and expertise required in the business sector. A consistent approach in this programme is the relationship of theory to practice. Students are introduced to theories and content; discussion applies this to their experience and case studies. Students are assisted in further reading by the use of Blackboard and Library databases. This provides them with continuous access to learning materials, discussion boards, wikis, and the full range of library facilities.

Throughout the programme, the objective is to enhance students' knowledge, skills, and analytical abilities. Learning outcomes are met by a combination of self-study, directed research and investigation, online tutor support, Blackboard materials, and tutor-led sessions. Input is not limited to tutor input, though – the programme team regularly uses guest speakers from

respected organisations, and student presentations are also used to help develop personal research and reflection skills and learn collaboratively.

Independent learning is embedded within the programme, and students develop a deep understanding via synthesis, critical analysis and evaluation.

IMBA started at MRC in May 2023 with 18 students from different professional backgrounds, including hospitality, business and marketing, and health and social care. This makes our IMBA a dynamic, versatile, and capacity-building programme, opening new avenues for professionals from different sectors and facilitating them in moving up on their career ladder to middle and senior management roles.

### **MRC Graduation 2023**

Mont Rose College of Management and Sciences Limited takes pride in fostering an energetic and productive environment and recently hosted its annual graduation ceremony on 16 June 2023. The event, held at the City Gates Conference Centre in Ilford, highlighted the College's unique character and celebrated the accomplishments of students who completed their studies in 2022.

The ceremony marked a significant milestone in the students' educational journey, with over 150 proud alumni crossing the stage in front of their families, friends, and the MRC community. The event attracted approximately 400 guests, including the friends and relatives of the graduates, as well as esteemed members of the MRC management, administrative, and teaching staff.

Distinguished guests in attendance included Mr Sam Tarry, Member of Parliament (MP); Lady Sidra Naeem, Deputy Lieutenant of Essex; Mayor Jyotsna Islam; Dr Alex Bols, Deputy Chief Executive GuildHE; and Councillor Mushtaq Ahmed, Leader of Redbridge Council. Their presence added to the grandeur of the graduation ceremony and underscored the importance of academic achievements.

The event's success was made possible by the dedication and hard work of ten student volunteers, who generously contributed their time and efforts to ensure the smooth operation of the ceremony.

Notable accolades were bestowed upon outstanding students from each field, recognising



their exceptional academic performance. Academic team members were also honoured based on their performance in the four subject areas: HND Hospitality Management, HND Business Marketing, HND Healthcare Practice (Healthcare Management), and Diploma in Education and Training.

To enhance the experience for graduates and ensure an unforgettable celebration, beautiful fresh flowers, unique bouquets, scrumptious charcuterie boards, and delicious lunch were arranged. The Fanfare Trumpets buzzed the atmosphere of celebration and maintained it to the very end.

## **Campuses**

Mont Rose College of Management and Sciences Limited's goal is to create a stimulating, active, and exciting campus life that encompasses high-quality spaces, situations, and services that make users proud because they have a strong sense of ownership and real participation in the College. (MRC Strategic Plan, 2019-2024)

Mont Rose College of Management and Sciences Limited has three campuses- Shakespeare House, Churchill House, and Mont Rose House.

Shakespeare House campus is dedicated exclusively to teaching Health and Social Care courses. Shakespeare House is a five-storey building in a bustling area of Ilford and well-connected with the national rail and TfL services. Ilford town centre, restaurants, and historical parks surround Shakespeare House. Classrooms are furnished



with smart boards, projectors, accessible internet facilities, and appropriate and adequate furniture, including ergonomic chairs for students with specific health-related ailments. Photocopiers and printers are also available for printing, scanning, and photocopying. MRC has around 400 books for Health and Social Care students in its on-campus libraries. In addition to on-campus, online libraries are also available. Mont Rose College of Management and Sciences Limited established an on-campus Health and Social Care laboratory to teach and assess the students. This laboratory has various learning tools, techniques, and materials such as a torso, models of a human skeleton, bones and organs, mannequins, weighing scales, blood pressure measuring apparatus (sphygmomanometer), first aid tools and techniques, thermometer, glucometer, flow charts for healthy diet and weight, diet charts for diabetic service users, etc. This laboratory enhances students' interest, engages them in learning and assessment, and accelerates learning. To improve the students' IT skills, a fully-equipped IT lab has been established at Shakespeare House for students to use desktops with free Wi-Fi. CCTV-monitored car parking space also provides a stress-free parking facility to staff and students, as car parking is usually an issue in the busy Centre of Ilford.

The second campus is named after Prime Minister Winston Churchill as Churchill House. This campus is also a purpose-built building with spacious teaching rooms with all required IT and other mandatory facilities to support teaching and learning activities.

The main and largest campus-Mont Rose House campus was opened in 2018 close to the central line underground tube link to expand its operations on a persistent basis to cater to learners from other London boroughs. Mont Rose College of Management and Sciences Limited is a flagship campus at the London Borough of Redbridge Gants Hill, Ilford. The opening of the campus aligned with the College's strategic goals, where we continually provide the best classrooms, big seminar rooms, ICT, and outdoor facilities for students and staff to enjoy a sunny summer. This campus is a seven-storey building in which all classrooms are fully equipped with IT tools and other facilities to support students' learning and development. Ergonomic furniture has been provided in each classroom so that students suffering from personal challenges can use it without affecting their learning process. The campus has a big, well-decorated cafeteria for staff and students, where various indoor games and exercise equipment have also been arranged to introduce a healthy lifestyle. The campus also has a spacious CCTV-monitored car parking area for staff and students. The garden, meticulously



planned and tended to by students and faculty, is a vibrant hub for exploration, relaxation, and first-hand learning. In an era where environmental concerns are at the forefront of global discussions, cultivating environmental stewardship among college students is paramount. A campus garden is an effective tool for developing a sense of responsibility and connection to nature.

### NSS 2023

In FY 2023, the National Student Survey (NSS) results reflect a consistently high level of student satisfaction at MRC to Mont Rose College of Management and Sciences Limited. Notably, students overwhelmingly praise the teaching of their courses, with 93.50% rating it positively, surpassing the national average of 90.10%. The staff's ability to explain concepts and make subjects engaging received ratings of 94.90% and 95.60%, respectively. Furthermore, 96.20% of students felt supported by teaching staff in their learning journey, exceeding the national average of 90.10%. Mont Rose College of Management and Sciences Limited fosters an environment where students feel free to express their ideas and beliefs, with an impressive 96.20% rate of positive measure compared to the national satisfaction rate of 91.20%.

These results highlight the College's commitment to providing exceptional education.

NSS 2023	MRC %	England %
The teaching on my course.	93.50	90.10
Staff are good at explaining things.	94.90	93.60
Staff have made the subject engaging.	95.60	89.40
The course is intellectually stimulating.	93.00	87.90
My course has developed the knowledge and skills I will need for my future.	94.30	90.90
Learning opportunities.	93.20	87.80
Academic support.	94.30	88.00
The teaching staff supported my learning.	96.20	90.10
Organisation and Management.	93.70	78.30
IT resources and facilities supported my learning.	94.80	84.70
The communication and information about my College's mental well-being support services.	94.70	81.10
During your studies, how free did you feel to express your ideas, opinions, and beliefs?	96.20	91.20

Table 1: NSS 2023

## **Student Numbers**

Mont Rose College of Management and Sciences Limited short-term aim was to increase student numbers by 5 % in FY 2023, and the College achieved an overall increase of approximately 12.33% in FY 2023 compared to FY 2022. The student number increase is mainly attributed to Higher National Diploma in Business Marketing and Higher National Diploma in Hospitality Management courses. Additionally, the introduction of the International Masters of Business Administration has positively contributed to the overall student growth.

The initiatives implemented in FY 2023 have played a pivotal role in achieving higher student recruitment and retention rates. These initiatives include improved customer service in all departments, the introduction of an appointment booking system to save students' time, the "Know Your Student" form to understand better students' needs from the beginning, which covers the student progress throughout the student lifecycle, a streamlined hardship evaluation fund process, and enhancements of our employability department to focus on students' progression. Furthermore, the College has applied directed approaches to address retention and attainment issues and enhance the provision of targeted support to the most vulnerable students to reduce dropout rates in the form of academic, welfare, or general support. These efforts have fostered a sense of belonging among our students, helping them complete their studies and contribute to the growth of the College.

## **Employability**

Mont Rose College of Management and Sciences Limited continue to embed support for students' employability throughout their journey, including through the widespread provision of placements and work experience and the delivery of structured career development opportunities. The College already developed a network of employers for all four academic departments and provides research opportunities to the students and staff following the formation of the MRC Research Centre. This helps the students to get placements and jobs. (MRC Strategic Plan, 2019-2024)

Mont Rose College of Management and Sciences Limited primary goal has been consistently supporting students in their academic and professional journeys. Various employability programs, including workshops, events, and entrepreneurship initiatives, have been arranged throughout the year. CV and cover letter editing, assisting with work placements job



searches, hosting motivational workshops, offering guidance, monitoring and tracking, and problem-solving have been arranged. To measure students' development impact, Mont Rose College of Management and Sciences Limited developed a student progression continuous data collection mechanism and maintained consistent communication with students through email, telephone calls, classroom visits, and one-on-one consultations.

Mont Rose College of Management and Sciences Limited proudly collaborated with HSBC, Hospitality Pro, and Evolve, organised workshops and recruitment days, and presented the MRC Angel Competition, which was a standout success, where a nail technician won the entrepreneurship award. Staff and students contributed to creating three issues of the Zephyr magazine in FY 2023. The College diligently gathered feedback and data to showcase the growing impact of services.

The Employability Department is eager to elevate the services to new heights and plans to integrate employability into every aspect of student's educational journey, fostering collaboration with all Mont Rose College of Management and Sciences Limited departments. Employability services will be promoted extensively, utilising posters, classroom and campus visits, engagement talks, and introducing student ambassadors. The department is keen on forging robust partnerships with employers, offering benefits such as training, mentorship, workshops, work placements, visits, and events.

Mont Rose College of Management and Sciences Limited assists students in adapting to the ever-evolving job market, nurturing practical experience, and fostering entrepreneurial mindsets. The department continues to deliver CV and cover letter/ interview workshops, Angel Competition, and Zephyr magazine and plans to expand and enhance employability, work-based, and confidence/ resilience programs. This will involve creating a themed calendar aligned with the Mont Rose College of Management and Sciences Limited's "Dream Big" vision. Mont Rose College of Management and Sciences Limited's career development cycle will identify, enhance, and develop students' skills, aspirations, and career prospects through student progression data, self-assessments, preparation workshops, action plans, and evaluations.

## **Student Welfare**

Mont Rose College of Management and Sciences Limited has a dedicated Welfare Team, which provides a confidential service by giving advice and support for a wide range of issues or possible difficulties students may face that could affect their learning and development. The

team is always happy to listen and offer support or make suggestions where this is possible by arranging a safe environment so that the students can express themselves and work towards positive outcomes.

The Welfare Officer facilitates the students with any personal challenges and can advise the students on a wide range of personal and welfare issues that may impact their studies and day-to-day life, including settling in and adjusting to college/university life, crisis support, family or relationship issues, harassment and bullying, drug or alcohol issues, violence (crime/sexual/domestic/hate), concerns about a friend, stress (personal or study related), and any abuse.

Around 124 students are catered by the Welfare Department. Students from all academic disciplines benefit from these services, including 23 students from Education and Teaching, 47 from Business Marketing, 41 from Health and Social Care, and 13 from Hospitality Management. Key welfare services consumed by these students include:

Well-being checks – service ensures that the students will receive check-in weekly or monthly, depending on their needs. This ensures that the Welfare Department will be updated if their circumstances change and can support them through the changes.

Soft counselling – students have used this service and benefited as they believed they had an outlet where someone could listen and advise them about their personal issues and mental health.

Weekly emails - these are sent to all students under the welfare, and they are informed about the drop in times. This has been significantly helpful as it prompts students to access the department with any questions or concerns. Ever since starting this service, a rise in replies from students has been observed endorsing the significance of this service in supporting students.

Needs assessments - assessments are carried out for those students who have personal challenges or disabilities. This ensures they receive the support they require until their DSA assessment is completed. The students receiving this service have appreciated this as it relieves them from constantly informing their lecturers and relevant staff.

In summary, the Welfare Department plays a pivotal role in enhancing the learning experience of students suffering from personal challenges and facilitating them in attaining their academic and life goals effectively without any exclusion and marginalisation.

## **Staff**

Mont Rose College of Management and Sciences Limited ensures that staff has access to high-quality CPD opportunities, which will help them to develop expertise in higher education teaching. The College continues to enrich physical and virtual teaching and learning facilities to enable the teachers to engage and inspire students and facilitate the delivery of teaching excellence. The College embeds Performance Development and Appraisal into its processes to ensure all staff, including managers, have clear objectives, undertake CPD, provide high-quality services and help create a great workplace. The College invests in supporting staff to achieve higher level qualifications where this is needed, such as MSc and PhD qualifications, which fulfil strategic aims. (MRC Strategic Plan, 2019-2024)

To value the dedication and efforts of its employees, the College continues to offer the 'Health Assured' Employee Assistance Program (EAP). This is a free and confidential service.

This year's highlights include First Aid and Fire Warden Training for 12 employees. The practice ensures that the College has sufficient coverage at all times to ensure the safety and well-being of employees and students.

Mont Rose College of Management and Sciences Limited is an equal opportunity and inclusive employer. The College cares for the rights and well-being of its employees.

## **Access and Participation Plan**

Mont Rose College of Management and Sciences Ltd implemented a comprehensive range of initiatives in FY 2023 in alignment with its Access and Participation Plan (APP) strategies. These initiatives included visits to various educational institutions and active participation in diverse events, with dual objectives: firstly, to engage sixth-form colleges and encourage students to consider Higher Education, and secondly, to enhance the College's standing and reputation within the local community.

### **Event highlights:**

Mont Rose College of Management and Sciences Limited was privileged to conduct an interview skills workshop for three student groups at the London Academy of Excellence. This workshop was notable for its interactive pedagogy, featuring role-playing exercises and open dialogues, effectively sustaining student engagement and interest.

The College had the opportunity to represent itself at the Opportunity Fair, an event targeting individuals aged 16-25. The event aimed to provide information about education, training, and employment opportunities. Mont Rose College of Management and Sciences Limited established an informative stall, providing attendees with valuable insights into potential career pathways and available academic courses. This interaction underscored the significance of tailoring responses to individual needs and aspirations, ensuring that each person received the requisite information to chart their educational journey.

In December 2022, the College visited St. Mary's University, where workshops tailored for pre-sixteen students were delivered. The day was segmented into three sessions, each spanning 50 minutes and hosting 20-25 Year 10 students. The workshops were meticulously crafted to introduce them to the realms of business and entrepreneurship in a pertinent and profoundly interactive manner.

In March 2023, the College organised a Goldsmith University workshop targeting Year 10 students (Pre-16). The vital goal of the workshop was to help the young students think broadly about their future educational and career pathways and understand how their current subjects can influence those choices. The workshop also provided invaluable guidance on preparing for careers in business and economics. A salient emphasis was placed on the pivotal role of gaining practical experience through internships and work placements, alongside a recommendation for students to begin building their professional networks early.

In May 2023, the college staff from the student finance and employability departments attended the Unaccompanied Asylum-Seeking Children (UASC) Information Day at Kingston College and Kingston University. This endeavour was meticulously designed to engage post-sixteen learners under the purview of local authorities who were young asylum seekers, underlining the College's commitment to inclusivity and support.

In July 2023, Mont Rose College of Management and Sciences Limited actively participated in a UCAS event hosted by Chadwell Heath Academy, delivering workshops to three groups of Year 12 students (Post 16). The sessions covered various aspects of CV writing, including introduction, crafting an effective CV, and enhancing CV presentation. By equipping students with essential skills for crafting effective CVs, the activity contributed to their professional development and increased their employability prospects. Such outreach activities are crucial in empowering students and preparing them for the job market.

In September 2023, Mont Rose College of Management and Sciences Limited visited Robert Clack Upper School, marking a substantial stride toward realising three paramount objectives. Firstly, Mont Rose College of Management and Sciences Limited aimed to increase the representation of white males from underrepresented backgrounds in its access initiatives, recognising the importance of diversity and inclusion. Secondly, the College sought to develop collaborative agreements with the school to foster educational and sports opportunities. Thirdly, the College distributed t-shirts to the students with the Mont Rose College of Management and Sciences Limited Logo, creating student awareness amongst the pre-sixteen students about HE institute. This multi-layered visit emphasised the College's commitment to diversity, inclusivity, and the strategic pursuit of educational partnerships.

The College partners with the National Collaborative Outreach Programme (NCOP) to engage in effective opportunities addressing students' access success and progression.

For FY 2024, the College plans to engage more with pre-sixteen schools as part of new





commitment submitted to the Office for Students through an APP variation request in FY 2023, which was approved.

Additionally, Mont Rose College of Management and Sciences Limited is engaging in the development of sustainable partnerships within the London region to support student access, success and progression.

### Hardship Funds 2022-23

Mont Rose College of Management and Sciences Limited provides information about the Hardship Fund to students continuously throughout the academic year through emails, inductions, classroom visits and the website. According to the survey that we carried out in October 2023, 94.05% of students agreed that financial support helped them to concentrate on their studies without worrying about finances.

The College is committed towards the progress and attainment of academic success for our students, as set out in our 2020-25 Access and Participation Plan. An approachable and welcoming environment ensures that our students feel free to reach out for support from the Hardship Fund.

In FY 2023, the College paid £117,069.94 to students in hardships (£98,544.24 FY 2022).

Financial Support Survey Question	Overall students' responses Strongly Agree/ Agree %	Students received Financial support Strongly Agree/ Agree%
Receiving financial support helps me to feel more satisfied with my life as a student.	87.27	92.86
Receiving financial support helps me to feel less anxious than I would have felt otherwise.	83.18	88.10
Receiving financial support helps me to feel part of the Mont Rose College community.	87.73	91.67
Receiving financial support helps me to be able to balance commitments such as work, study and family relationships.	88.64	92.86

Receiving financial support helps me to afford to participate along with my fellow students.	85.91	90.48
Receiving financial support helps me to be able to concentrate on my studies without worrying about finances.	90	94.05

Table 2: Financial Support Survey 2023

### Value for Money (VfM)

Value for Money (VfM) at Mont Rose College of Management and Sciences Limited considers a mix of quality, cost, resource use, sustainability, fitness for purpose, and convenience to judge if they constitute good value.

The College ensures the incorporation of VfM in strategic planning and decision-making. All staff are enlightened on the importance of VfM; various responsibilities are assigned to promote continuous improvement. The College responds to all opportunities to enhance the activities' economy, efficiency and effectiveness and adopt recognised good practices where applicable. As part of the APP target, the College aims to continuously evaluate the data and identify areas to improve student access, success and progression.

The College achieved the following goals in FY 2023:

- Enhanced student employment outcomes by investing more in developing partnerships, arranging student work placements and increasing employer networks.
- Enhanced the MRC Angels Programme, encouraging students to present their business plans. The College provided the students with guidance and offered workshops concerning marketing, management, and finance, which supported them in improving their business plans.

- Provided the students with academic guidance, mentoring, one-to-one tutorial support, excellent welfare and pastoral support, and a high level of teaching and learning experience to improve student outcomes.
- Sponsored some courses for teaching and administrative staff as part of their continuous professional development so, in turn, they were able to deliver better services to the students.
- Celebrated Graduation 2023.
- Invested in physical and online libraries and computer labs to improve student provision.
- Invested in IT infrastructure and systems.
- Provided research opportunities to the students by encouraging them to publish their research articles in the College academic journal, "Journal of Academic Reviews."
- Offered academic skills classes- a non-credit module as part of student courses.

## **Financial Review**

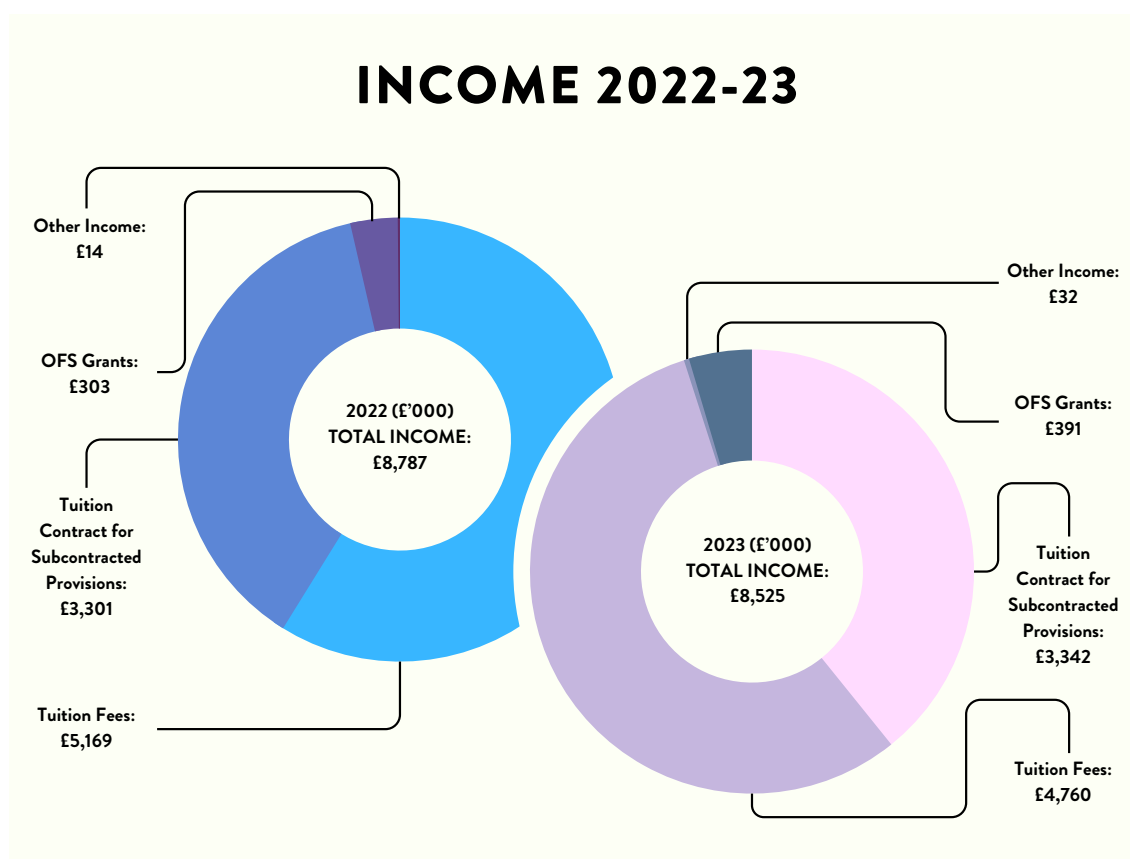
Mont Rose College of Management and Sciences Limited's Financial Strategic Plan supports the institution's achieving strategic objectives to maintain financial health and sustainability. It delivers planning and assurance to deal with unforeseen circumstances.

The strategies are developed considering political, regulatory, social, and economic changes. It identifies required resources, including capital and people. It enables the College to deliver programmes that do not attract funding but help enhance the quality of teaching and student outcomes, like free academic skill classes and helps to identify and undertake various activities to achieve the best financial and operational outcomes. This is conducted employing the best resource allocation models for different areas.

## **Income**

Mont Rose College of Management and Sciences Limited is registered with the Office for Students (OFS) in the Approved (fee cap) category, which allows charging tuition fees up to the level of £9,250 for undergraduate courses, subject to having an approved Access and Participation Plan (APP) and TEF award. The College had an approved APP and a TEF award for FY 2023. For courses starting in FY 2023, the tuition fees for HND and DET courses were set at £7,724 and £9,250 for subcontracted provision.

The College reported a revenue of £8,525,000 in its audited financial statements for FY 2023, a reduction of 2.98 per cent from FY 2022. The College reviewed the student recruitment strategies in January 2023. As a result, the new student number for May 2023 increased by 19.91% compared to the January 2023 session. Also, the new student numbers for September 2023 increased by 20.38% compared to the May 2023 session. Following investment in the marketing department, Mont Rose College of Management and Sciences, Limited is forecasting a gradual increase in student numbers in its five-year financial forecasts. The income is forecasted to increase by 8% in FY 2024. To reduce the risks, the College uses sensitivity analysis to understand how variables may affect financial forecasts.



Graph 1: Income Composition (FY Ended 31 August 2023 vs FY Ended August 2022)

Tables 3 and 4 provide a comparison of Mont Rose College of Management and Sciences Limited income sources between FY 2023 and FY 2022, highlighting changes in each income category.



Income Source	Year Ended 31 August 2023 (£'000)	Year Ended 31 August 2022 (£'000)	Change (£'000)	Change (%)
Tuition Fees and Education Contracts	8,102	8,470	-368	-4.3%
Funding Body Grants	391	303	+88	+29.0%
Other Income	32	14	+18	+128.6%
Total Income	8,525	8,787	-262	-3.0%

Table 3: Comparison of Total Income

Category	Year Ended 31 August 2023 (£'000)	Year Ended 31 August 2022 (£'000)	Change (£'000)	Change (%)
Full-time Home Student Fees	4,760	5,169	-409	-7.9%
Subcontracted Course Fees	3,342	3,301	+41	+1.2%
Total Fees	8,102	8,470	-368	-4.3%

Table 4: Composition of Total Income

## Capital Grants and Capital Expenditure

Mont Rose College of Management and Sciences Limited received a capital grant of £100,000, which was wholly spent during FY 2023 (£30,000 FY 2022).

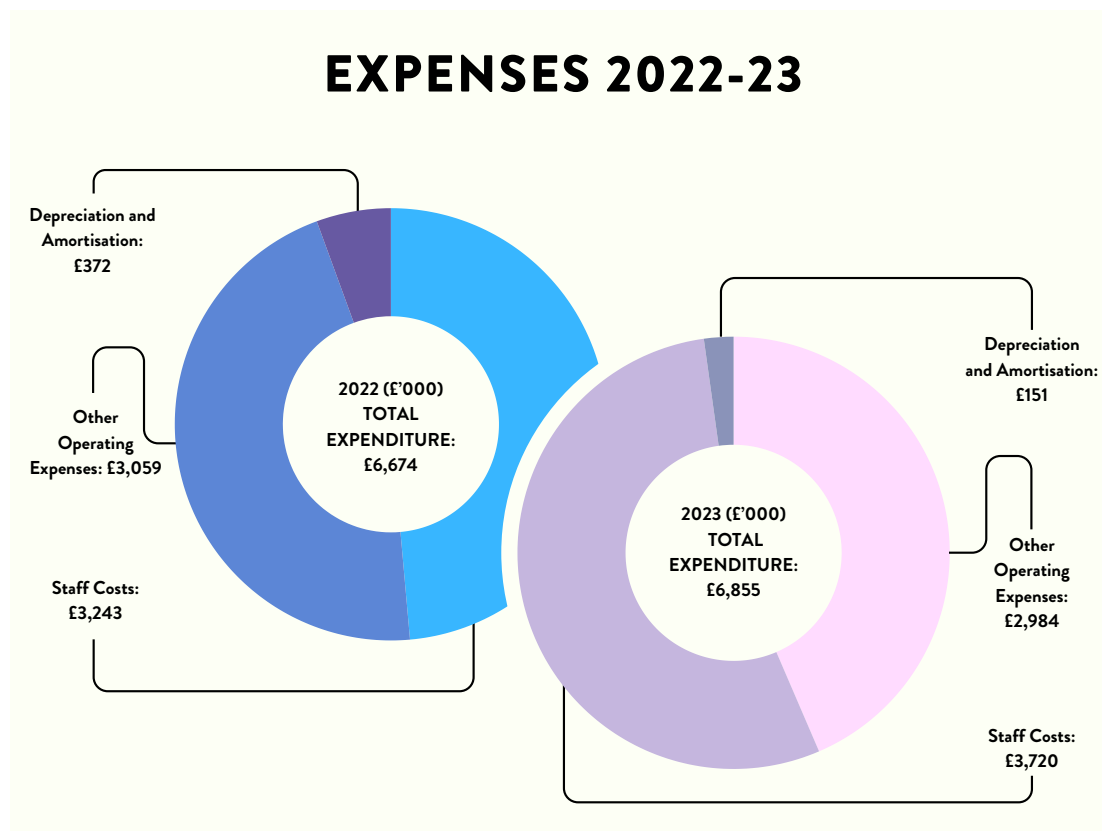
The College spent £42,475 on 45 new computers, 45 screens and fittings for the computer labs. The computer labs are also used for student career enhancement like training and employability sessions to produce or improve their CVs, prepare comprehensive personal statements, and look for career opportunities. The computer labs are open to students anytime during College working hours for their research or coursework, which enhances student work efficiency and productivity. The College also invested £20,262 for IT firewalls and UPS for student e-protection to ensure that work will not be lost in case of power cuts on all campuses. £23,058 was spent on operational software (Ellucian) for the last three implementation milestones. That does not include license fees. Mont Rose College of Management and Sciences Limited started using the new operating software in January 2023, which will help improve student performance monitoring and communication. £3,768.97 was used to purchase 31 ergonomic chairs and 2 ergonomic tables for disabled students to enhance their

learning experience at the College. This investment will positively impact disabled student performance and outcomes. £1,500 was spent to place one more printer for students at the Mont Rose House campus. The remaining £8,936 was allocated towards improving fixtures and fittings for the classrooms on two campuses. For comparison, the College spent the OFS capital grant of £30,000 in FY 2022 on new computers, ergonomic chairs for disabled students and some desks for the Mont Rose House campus counselling room.

## **Expenditure**

Staff costs rose to £3,720,000 in FY 2023, compared to £3,243,000 in FY 2022, reflecting an increase of £477,000 or approximately 14.7%. The overall increase in staff costs was projected to be 5% for FY 2023. However, due to challenges to recruit and retain talent, as well as a required increased investment in human resources due to new commitments made to provide better customer services, student employability and curriculum enhancement, the staff costs increased by 14.7% (9.7% more than anticipated). The academic department staff costs increased by 8.6% in FY 2023 (8.3% FY 2022), and administrative staff costs increased by 21.2% in FY 2023 (35% FY 2022). The biggest increase in administrative staff costs is mainly due to implementing organisation strategies, ensuring achieving regulatory requirements and bringing change. The foremost goal of the College is to fulfil the students' expectations by providing excellent teaching, customer services, and learning facilities. The College prepares five-year financial forecasts annually for its strategic planning and to assure its stakeholders. While preparing the financial forecasts, the College considers projected student and staff numbers, staff costs, the planned courses for the next five years, projected income and expenditure, and any costs/ investments required to meet the strategic planning. Other operating expenses reached £2,984,000 in FY 2023, compared to £3,059,000 in FY 2022, representing a 2.4% reduction in FY 2023. The academic department operating expenses increased by 4.6% in FY 2023 (a reduction of 11% in FY 2022), and administrative department operating expenses were reduced by 31% (an increase of 22.6% in FY 2022). Cost saving is mainly due to the completion of the three-year project implementing the new student course management system and the academic departments engaging more in student-related services.

Premise managing costs increased by 4 per cent in FY 2023 (7.8% increase in FY 2022).



Graph 2: Total Expenditure Comparison (Year Ended 31 August 2023 vs. 2022)

Tables 4 and 5 provide a comparison of Mont Rose College of Management and Sciences Limited income sources between FY 2023 and FY 2022, highlighting changes in each income category.

### Comparison Tables

Category	Year Ended 31 August 2023 (£'000)	Year Ended 31 August 2022 (£'000)	Change (£'000)	Change (%)
Staff Costs	3,720	3,243	+477	+14.7%
Other Operating Expenses	2,984	3,059	-75	-2.4%
Depreciation and Amortisation	151	372	-221	-59.4%
Total Expenditure	6,855	6,674	+181	+2.7%

Table 5: Comparison of Total Expenditure



Category	Year Ended 31 August 2023 (£'000)	Year Ended 31 August 2022 (£'000)	Change (£'000)	Change (%)
Academic Departments Salaries	1,982	1,825	+157	+8.6%
Admin Departments Salaries	1,719	1,418	+301	+21.2%
Other Staff Costs	19	0	+19	N/A
Total Staff Costs	3,720	3,243	+477	+14.7%

Table 6: Composition of Staff Costs

Category	Year Ended 31 August 2023 (£'000)	Year Ended 31 August 2022 (£'000)	Change (£'000)	Change (%)
Academic and Related Expenditure	1,190	1,138	+52	+4.6%
Administration and Central Services	427	619	-192	-31%
Premises (Including Service Concession Cost)	1,310	1,260	+50	+4%
Residences, Catering, and Conferences	57	42	+15	+35.7%
Total Other Operating Expenses	2,984	3,059	-75	-2.4%

Table 7: Composition of Other Operating Expenses

## Profitability

Profit before tax represented 19.6 per cent (24 per cent FY 2022) of total income for FY 2023. Strategies to increase profitability were addressed by enhancing the marketing strategies to increase the student numbers, which has already shown a result as student numbers have gradually increased since May 2023.

## Money Management and Liquidity

Mont Rose College of Management and Sciences Limited income comes mainly from the Student Loan Company and the partner institution at regular intervals. The scheduled cash inflows help the College plan and achieve reliable short-term income forecasts. The College prepares its budgets and runs variance reports quarterly. The Finance and General Committee

discusses any significant variations from the budgets and, if material, reports to the Board of Governors for further discussion.

Mont Rose College of Management and Sciences Limited reviewed the cash flow forecasts and agreed that the liquidity would be sufficient to operate effectively if a decision is taken to reduce the company's debt elements to save on finance costs. Therefore, the College decided to repay the CBIL short-term and long-term loans of £0.786 million in November 2022 and reduce the bank overdraft facility from £2 million to £0.750 million in May 2023. The College is not reliant on an overdraft, and the reduced facility is sufficient for College needs.

Mont Rose College of Management and Sciences Limited, as part of risk assessment, monitors the KPIs and discusses the financial performance quarterly.

KPI	FY 2021	FY 2022	FY 2023	Projected FY 2024
Turnover change from the previous year	14.0%	-0.86%	-2.98%	+8%
Staff costs as % of total income	30.9%	36.9%	43.6%	45%
Current assets to current liabilities	3.7:1	6.8:1	10.9:1	12.4:1
Net liquidity days	202	205	97	152
Debt ratio	31.0%	17.9%	9.3%	8.3%

Table 8: Financial KPIs

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Approved by the Board of Governors on 5<sup>th</sup> January, 2024 and signed on its behalf by



**Mr. Bilal Sheikh**

Director



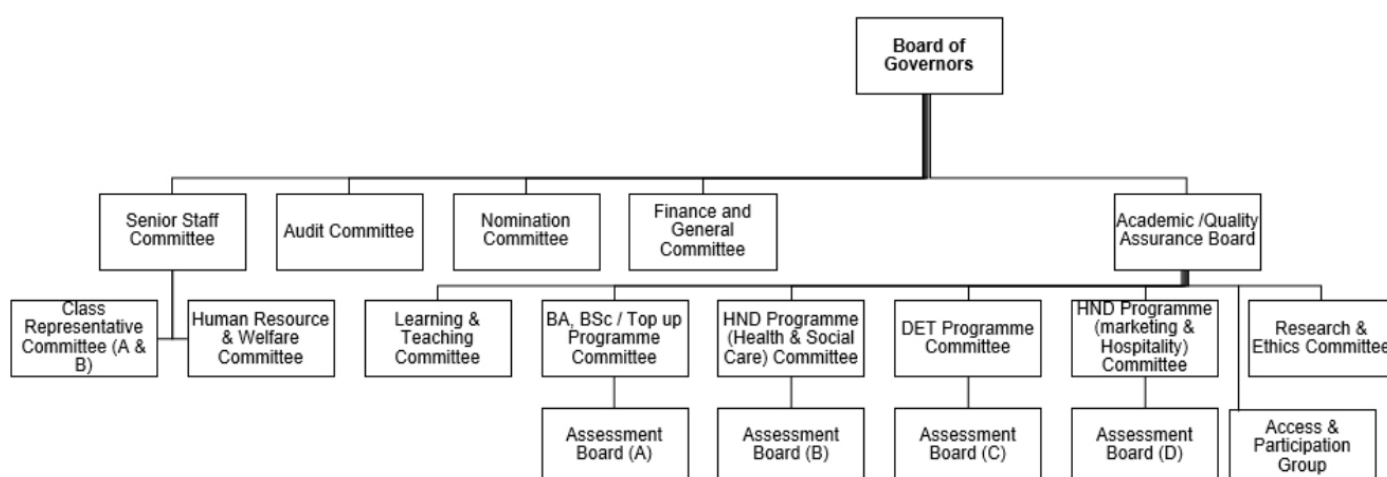




# Statement of Corporate Governance

This statement explains the corporate governance arrangements and the Board of Governors' (BOG) responsibilities covering the period from 1 September 2022 to the date of signing the audited financial statements. Mont Rose College of Management and Sciences Limited has to conduct its affairs transparently and responsibly, following the Nolan principles: selflessness, integrity, objectivity, accountability, openness, honesty and leadership, in full accordance with the CUC's Higher Education Code of Governance; and in compliance with the UK Corporate Governance Code 2018.

## Committee Structure Chart



At the time of signing the financial statements, Mont Rose College of Management and Sciences Limited Board of Governors comprised of three external members, three internal and two students.

The external members have extensive expertise in law, business and community/ outreach matters.

The BOG meetings were arranged on 7 October 2022, 20 January 2023, and 18 May 2023 in FY 2023. The most significant matters that the Board discussed during the year included the review of the Risk Register, compliance with the OFS conditions of registration, student numbers, DAPs, staff Skills Audit and Governance evaluation, and progress on achieving Access and Participation Plan objectives.

The Board of Governors is responsible for the overall functioning of the College. It approves the College's Strategic Plan, policies, procedures, key performance indicators, financial statements, and regulations. The Board manages the operational, business and financial risks and ensures sound internal control and risk management processes. It also approves the Risk Register. BOG ensures that proper financial management practices are followed, and funds provided by the Student Loan Company and the OFS are used appropriately and by following

the terms and conditions of funding.

The budget is allocated according to the strategies listed in the College's strategic plan and in compliance with the terms and conditions of funding. The College guarantees compliance with the terms of funding by ensuring that:

- Internal controls are in place to authorise, review, and monitor expenditures.
- The BOG regularly reviews compliance.

BOG is responsible for implementing the Teaching and Learning Strategy and receives regular reports from the Student Union and class representative committees to ensure that the correct systems are in place for disseminating information to students and other stakeholders. The Board receives regular reports from all relevant committees to monitor and evaluate the performance of the College against the key performance indicators, which are benchmarked against other comparable institutions.

The Board of Governors oversees all the other committees and boards and receives relevant reports.

The BOG oversees the functions of five subcommittees:

- Academic/ Quality Assurance Board
- Senior Staff Committee
- Audit Committee
- Nominations Committee
- Finance & General Committee

The committees meet quarterly, except the nominations committee, which meets once requested.

### **Academic/ Quality Assurance Board**

The Board of Governors receives regular assurance from the Academic/ Quality Assurance Board that academic governance works effectively and efficiently.

The College's governance and management are designed to ensure the academic body's independence while taking into account its legal construct. It aims to provide the institutional framework for quality assurance and ensure that the highest academic standards and value

for money are achieved. As presented in the Committee Structure Chart, the academic organisational structure demonstrates clear lines of accountability for academic responsibilities and standards within a rigorous approach to quality.

### **Senior Staff Committee**

The Board of Governors receives reports regarding the overall functioning of all departments from the Senior Staff Committee.

### **Audit Committee**

The role of this committee is to review financial reporting issues and judgments of the College's financial statements and reports and to review the scope and effectiveness of the College's internal controls, including financial, operational, and compliance controls. The committee reports to the BOG.

### **Nomination Committee**

The committee's role is to review the leadership needs of the College. It provides full consideration at regular intervals to succession planning, considering the challenges and opportunities facing the College and the skills and experience needed in the future.

### **Finance & General Committee**

The committee is part of the strategic financial planning, financial reporting and financial performance oversight and compliance. The role is to plan, forecast, and apply all strategic financial risk management tools to provide confidence to the College that the financial risks are manageable. Additionally, the committee monitors regulatory and statutory compliance and oversees the maintenance of the Risk Register. The committee reports to the BOG.

### **Assurance and Transparency**

Mont Rose College of Management and Sciences Limited ensures the adequacy and effectiveness of corporate governance arrangements by completing the BOG self-evaluation every three years, which assesses collective and individual performance.

The method of assessment is the decision of the BOG and the Academic/ Quality Assurance Board, which may vary from year to year according to its identified needs and priorities, but



in assessing its performance, it will assure itself that:

- The BOG can make timely strategic decisions.
- The BOG can monitor and hold senior management accountable for achieving business objectives.
- The integrity of reported information is ensured.
- College control systems and financial management are robust.
- Risks are proactively managed.
- The appropriate skills mix exists at the BOG and senior management levels.
- Succession planning is in place for both governors and senior staff.
- The BOG is fulfilling its statutory and regulatory responsibilities.

The BOG oversees the statutory and regulatory compliance with the government bodies, OFS ongoing conditions of registration, section 22 of the Teaching and Higher Education Act 1998, terms and conditions of funding, and other regulatory compliance.

The Governance Review is carried out every three years by the assigned committee, where external review is also sought. The last review took part in August 2023 <https://mrcollege.ac.uk/wp-content/uploads/2023/10/Governance-and-Management-Review-2023.pdf>







# **Internal Control Statement 2022-23**

This statement on internal controls relates to the period covered by the financial statements for the financial year ended 2023 and up to the financial statement approval date. Mont Rose College of Management and Sciences Limited Board of Governors (BOG) is responsible for effective internal controls and adequate monitoring systems in the whole organisation to prevent and detect corruption, fraud, bribery and other irregularities. It also reviews their effectiveness, covering business, operational, compliance, and financial risks. The internal controls and comprehensive monitoring processes are embedded in all departments. The internal controls are reviewed for effectiveness and completeness by the departmental heads, Audit Committee and the BOG.

All departments must evaluate their internal control systems, discuss them in committee meetings and report to the BOG. The risk identification, internal controls and appropriateness of risk classifications are reviewed by the Audit Committee or external auditors if requested and reported to the Board of Governors, who reviews the processes and sets improvement plans. Compliance with the College admission procedures is monitored regularly to ensure the applicants are enrolled according to Mont Rose College of Management and Sciences Limited admission requirements, consumer protection compliance with the CMA and regulatory requirements. The Academic Department has its internal controls to monitor and implement academic policies and procedures and ensure completeness and compliance. The Finance Department's policies and procedures are monitored and assessed to ensure transparency and accuracy, and that recurring and capital grant expenditure is as per the Terms and Conditions of Funding (OFS). The internal controls to deliver the Access and Participation Plan (APP) commitments are in place to ensure compliance with the A1 condition of registration by continuously evaluating the data and identifying the areas of weakness that need addressing. The robust hardship fund eligibility assessment, distribution, and monitoring processes were implemented to reduce the possibility of fraud and error and ensure that the fund is distributed according to the commitment expressed in the APP. Other internal controls include the quarterly checks of equipment purchases/ disposals records, accounting record maintenance, accounts receivable and other trade purchases review and authorisation for purchases received; data protection and the procedures, the effectiveness of information transfer; the costs and benefits of maintaining control are assessed in all departments. The controls are in place, ensuring the costs do not exceed the benefits. Managers evaluate all risks and set action plans to achieve their objectives. The internal control effectiveness and the achievement of value-for-money objectives are monitored by the Audit Committee and reported to the Board of Governors.

The Audit Committee Internal Control review meeting took part on 11 October 2023. The Audit Committee reviews the internal controls in the organisation and reports any weaknesses identified to the department heads and the BOG. The BOG discussed the Audit Committee report on 18 October 2023 and agreed on recommendations to be implemented in the departments. The Audit Committee must ensure that all departments comply with the internal control requirements and confirm that sufficient segregation of duties is in place to reduce the possibility of fraud or error and ensure that no employee has complete control



over one strategically important work area.

After the annual audit review, the BOG issues the departments concerned with corrective actions and recommendations to improve the systems. The departmental heads are responsible for prompt corrective action on all internal control findings and recommendations by the internal or external Audit and BOG.

The department heads must ensure that those who report to them have all the required knowledge, abilities, and skills, contributing to an effective internal control environment. They should also ensure that appropriate training is relevant to their job responsibilities. For this reason, Mont Rose College of Management and Sciences Limited recognises the importance of staff professional development. Staff developmental needs are assessed at the time of staff evaluation in April each year, and a Staff Professional Development Plan is later drafted, covering all staff training needs. The College plans and sponsors the indicated staff training.

New employees must attend the staff induction sessions, providing them with the primary information about the College and its missions, policies and procedures. This also includes training on internal controls in their respective roles. The new staff members receive staff handbooks, where all relevant policies and practices are recorded.

The authorisation procedures are implemented and monitored in each department. The Audit Committee reviews and monitors the implementation and effectiveness of processes. The safety and security of data and assets are the responsibilities of each department. The Audit Committee reviews and monitors the performances and effectiveness of safety procedures and reports to the BOG.

## **Risk Management**

The Risk Management Strategy forms part of the Mont Rose College of Management and Sciences Limited's internal control and corporate governance arrangements. It explains the underlying risk management approach and details the Board of Governors, Finance and General Committee, and other key parties' roles and responsibilities. The strategy outlines vital aspects of the risk management process and identifies the main reporting procedures and timings.

## **Responsibilities**

- The Board of Governors, Principal, and departmental heads have the responsibility for overseeing risk management within the College;
- The Principal, Finance and General Committee, and departmental heads are responsible for supporting and implementing policies approved by the Board of Governors;
- The Finance and General Committee is responsible for the construction and overseeing the maintenance of the Risk Register;
- All staff members are responsible for encouraging and embedding good risk management practices within their activity area.

The College's boards and committees' meetings were arranged as per the meeting calendar during FY 2023. The meetings' agenda repeatedly incorporated Risk Register reviews, discussions about risk-mitigating actions, and new government and regulatory guidance and implementation.

The College assessed the liquidity risk and agreed that the risk is not significant as the liquidity is sufficient to ensure smooth operations and student protection.

The likelihood of a credit risk materialising because of a £0.750 million overdraft facility being withdrawn is low, and the possible impact is low as the College is not planning to draw material amounts from the overdraft available. The BOG monitors the overall borrowings and interest costs and imposes actions to remove any adverse effects. For this reason, the College reduced the debt ratio to 9.3 per cent to save on finance costs.

## **Main Risks 2023**

### **Student Retention**

Student retention was identified as one of the main business risks in FY 2022 due to students struggling to return from remote learning to classrooms due to the pandemic effects that caused changes to their personal circumstances. The risk was well mitigated, and student retention improved significantly in FY 2023. However, the College decided to continue recognising this risk as one of the main business risks in FY 2023 due to economic uncertainty

and increased cost of living, as many students reported that they need to work to support their families due to the costs of living crisis. Also, many students reported that they are offered to do more overtime in their workplaces due to staff shortages, which again increases the risk of student retention.

Risk-mitigating actions include student support, hardship funds, and personal one-to-one mentoring sessions to enhance student continuation. The College continues to focus on retention rates across all programmes. It uses data to identify students at risk of discontinuing and proactively engages with them to ensure they succeed.

### **Student Recruitment**

Student recruitment was identified as the main business risk in FY 2022, and mitigating actions were taken to increase the student numbers, which delivered noticeable results in May 2023 and September 2023. The College decided to continue recognising student recruitment as one of the main business risks for FY 2023. The profits reduced in FY 2023 mainly due to above expected increase in staff costs. The College must recruit healthy student numbers to achieve the target net profit of 18% of total revenue in FY 2024.

The College is increasing outreach programmes to target under-represented groups, initiating activities with NCOP, etc. Continuous monitoring of the impact of marketing techniques and data regarding lead maturing and campaign management is being collected and monitored through Customer Relationship Management (CRM).

### **Regulatory Compliance Risk**

Meeting regulatory compliance risk was recognised in FY 2022 due to several changes to the ongoing conditions of registration B1, B2, B4 and B5 and the introduction of student outcome benchmarks. The most challenging area to meet the regulatory requirements was student progression to high-skill employment or further studies. Therefore, the College invested more in employability enhancement strategies for FY 2023. The impact of the changes could not be reliably measured at this time and will be continuously monitored through data analyses. The College decided to keep this risk as one of the main business risks for FY 2023 and further work on strategies to minimise the possibility of risk materialising.

## Risk Management Processes

The College follows the Risk Management Strategy, which explains the College's underlying approach to managing risk and details the risk identification and management roles and responsibilities of the Board of Governors, Finance and General Committee, and other key parties. The strategy outlines vital aspects of the risk management process and identifies the main reporting procedures and timings. The prime duty to oversee the maintenance of the Risk Register is set to the BOG and the Finance & General Committee.

The College has adopted a two-dimensional four-point impact/probability scale of risk assessments:

Impact		
1	negligible	almost no impact on the achievement of objectives
2	marginal	small impact on the achievement of objectives
3	considerable	significant impact on the achievement of objectives
4	critical	objectives could not be achieved

Table 9: MRC RISK MANAGEMENT STRATEGY 22-23

Probability		
1	low	very unlikely to occur in the planning period
2	modest	unlikely to occur in the planning period
3	medium	reasonably likely to occur in the planning period
4	high	more likely than not to occur in the planning period

Table 10: MRC RISK MANAGEMENT STRATEGY 2022-23

The BOG, Principal, and departmental heads all have a joint responsibility to identify and evaluate risks, their likelihood and probability, and agree on mitigating actions.

The departmental heads must understand that each staff member is responsible for foreseeing and embedding good risk management practices to ensure adequate internal controls within their activity area. The protective and detective controls are in place to provide the necessary authorisation level and approval to avoid fraud, bribery and other irregularities. People are assigned to verify transactions before releasing payments to safeguard the funds. Data breach preventive actions are in place to ensure IT security. Financial reconciliations are completed, ensuring segregation of duties. The risk review procedures cover the whole organisation's operation, financial, business and compliance risks. The risk identification, evaluation, review



processes, and effectiveness are reported to and reviewed by the BOG. This is an ongoing process to achieve the College's objectives.

### **The Audit Committee Opinion**

The MRC Audit Committee reviewed the Risk Register, internal control policies and procedures, and the BOG reviewed and approved recommendations for FY 2023 and before the signing of the financial statements and made the following conclusions:

- The significant risks identified have been assigned robust mitigating actions.
- The Risk Register was managed quarterly, effectively addressing all departments and including comprehensive mitigating actions.
- Internal controls are adequate. Some improvement was made to standardise the internal control reporting process following the feedback of external reviewers. Non-material recommendations for improvement were issued to all departments.
- College resources are sufficient to perform internal controls effectively.
- Authority and responsibility areas are clearly defined and followed.
- Segregation of duties evidenced.
- BOG and management receive timely and reliable reports on risks and internal control, review and monitoring.
- Departmental annual self-assessment processes are adequate.

### **Board of Governors (BOG)**

The BOG reviewed the Internal Control Statement and confirmed its validity.

The BOG acknowledges its responsibility to ensure that robust internal control and risk management systems are maintained at all times. The effectiveness of these procedures was reviewed on 18 October 2023.



**Dream  
Big!**



**Living the life of  
your dreams starts  
with you!**

# **Independent Auditors' Report**

**Independent Auditors'  
Report to the members  
and the Governors of  
Mont Rose College  
of Management and  
Sciences Ltd**

**Report on the Audit of financial  
statements for the year ended  
31st August 2023**

## **Opinion**

We have audited the financial statements of Mont Rose College of Management and Sciences Limited (the company's), included within the Annual Report and Accounts (the "Annual Report") for the year ended 31st August 2023, which comprise the statement of financial position; the statement of comprehensive income and expenditure; the statement of changes in reserves, the statement of cash flows for the year then ended; the statement of principal accounting policies and the notes to the financial statements. 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 College's affairs as of 31 August 2023 and of the company's income and expenditure, changes in reserves, and of the College's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102;
- have been properly prepared in accordance with the requirements of the Companies Act 2006 and the Office for Students' Accounts Direction (OfS 2019.41).

### **Basis for opinion**

We conducted our Audit in accordance with International Standards on Auditing (UK) "ISAs (UK)" and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the financial statements section of our Report. We are independent of the company in accordance with the ethical requirements that are relevant to our Audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors and Board of Governors 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 Strategic Report, Report of the Director, Governance Review Statement and Internal Control Statement, other than the financial statements and our Auditor's Report thereon. The directors and the Board or Governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon. In connection with our Audit of the financial statements, our responsibility is to read the other information including the Strategic Report and the Statement of Corporate Governance and the Statement of Internal Controls 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report, Report of the Director, Governance Review statement and Internal Control Statement for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report, the Directors Report and the Statement of Corporate Governance have been prepared in accordance with applicable legal requirements.

## **Opinion on other matters required by the Office for Students ("OfS")**

In our opinion, in all material respects:

- Funds from whatever source administered by the higher education institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.

- Funds provided by the OfS have been applied in accordance with the Terms and Conditions of Funding and any other terms and conditions attached to them.
- The requirements of the OfS's accounts direction have been met.

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

- The Institute's grant and fee income, as disclosed in the note to the accounts, has been materially misstated.
- The Institute's expenditure on access and participation activities for the financial year has been materially misstated.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the College and its environment obtained in the course of the Audit, we have not identified material misstatements in the strategic Report or the Report of the Director.

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

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

### **Responsibilities of the Directors and the Board of Governors**

As explained more fully in the Statement of the Directors' Responsibilities as set out on page 9, the Governors, which include the Director are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors and the Board of Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors and the Board of Governors are responsible for assessing the College'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 directors intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the industry;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

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

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



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

### **Use of our Report**

This Report is made solely for the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College's members as a body, for our audit work, for this Report, or for the opinions we have formed.



**Parvez Aslam Khan (Statutory Auditor)**

for and on behalf of Parvez & Co

Chartered Accountants, Statutory Auditors, 20 Greyhound Road, London, W6 8NX

Date: 5<sup>th</sup> January, 2024







# **Statement of Principal Accounting Policies**

**Year ended  
31 August 2023**

## **1 Accounting convention**

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition). They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Office for Students, the Terms and Conditions of Funding for Higher Education Institutions issued by the Office for Students.

## **2 Basis of preparation**

The financial statements have been prepared under the historical cost convention (modified by the revaluation of certain financial assets and liabilities at fair value).

The financial statements are prepared in sterling which is the functional currency of the institution and rounded to the nearest £'000.

## **3 Going Concern**

The Board of Governors (BOG) has a reasonable expectation that the Mont Rose College of Management and Sciences Limited has adequate resources to continue in operational existence for the foreseeable future. Thus, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

A going-concern assessment:

Management evaluated "whether relevant conditions and events, considered in the aggregate, indicate that it is probable that an entity will be unable to meet its obligations as they become due within one year after the date that the financial statements are issued." The management concluded that there are no material uncertainties that would cause doubt about the College being able to continue going concern.

1. The management used the 18-month financial forecast (September 2023 to February 2025) in its evaluation. Sensitivity analysis was completed as part of the going concern assessment.

2. The management agreed that the college's financial position is stable, and the revenue sources are confirmed to continue.
3. The liquidity assessment demonstrates that the College has enough resources to meet its obligations.
4. Mont Rose College of Management and Sciences has an embedded risk management strategy approved by the Board of Governors. The key risks, priorities and mitigating factors within the Risk Register are regularly considered and updated. The Risk Register is a standing item on the agenda of the Mont Rose College of Management and Sciences Finance and General Committee and was reviewed on 14 November 2022, 30 March 2023 and 29 June 2023. The Risk Register is also reviewed by the Audit Committee as part of assurance that the college has strong internal controls in place and by the Board of Governors.

The principal risks to achieving the College's strategy and uncertainties include:

- Failure to meet legal and regulatory requirements.
  - Failure to recruit and retain students.
  - Staff recruitment and retention.
5. Disaster risks were also considered, and it was agreed that it is unlikely for these risks to materialise.

#### **4 Income recognition**

Tuition fee income is stated gross of any expenditure which is not a discount and credited to the Comprehensive Income over the period in which students are studying. Financial support provided to the students is not adjusted in income, but expensed.

#### **5 Grant funding**

OFS Recurring Grant is recognised as income over the periods in which the College recognises the related costs for which the grant is intended to compensate.

Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Statement of Financial Position.

Capital grants are recognised in income when the Institution is entitled to the funds subject



to any performance related conditions being met.

Job Retention Grant is recognised in other income over the periods in which the College recognises the related costs for which the grant is intended to compensate.

## **6 Accounting for retirement benefit**

The company operates a defined contribution plan for its employees. A defined contribution plan is a post employment benefit plan under which the institution pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which employees render services.

## **7 Employment benefits**

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render services to the company. Any unused benefits are accrued and measured as the additional amount the company expects to pay as a result of the unused entitlement. Short-term employee benefits such as wages and salaries are measured at the amount expected to be paid in exchange for that service and not discounted for the time value of money.

## **8 Operating leases**

Cost in respect of operating leases are charged on a straight line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

## **9 Tangible assets**

Freehold Land is capitalised at cost on initial recognition. After initial recognition, Freehold Land is stated in the balance sheet at valuation as per the open market value for its existing use. The associated credit, if any, is included in the revaluation reserve. Costs incurred concerning Freehold Land after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the Institution. Freehold land is not depreciated as it is considered to have an indefinite useful life.

- Freehold land- not depreciated.
- Short leasehold improvements- 4 years.

- No depreciation is charged on assets in the course of construction.
- Depreciation models, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.
- Property, Plant and Equipment are capitalised at a cost on initial recognition and then subsequently at a cost less accumulated depreciation and accumulated impairment losses.

Depreciation over the expected useful life of fixed assets is as follows:

Improvement to property	25%
Plant and Machinery	20%
Fixtures and Fittings	20%
Motor vehicles	20%
Computer equipment	25%
Books	20%

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

## 10 Impairment

A review for potential indicators of impairment is carried out at each reporting date. If events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable, a calculation of the impact is completed and arising impairment values charged against the asset and to the SOCIE.

## 11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at a call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts, when applicable, are shown within borrowings in current liabilities.

## 12 Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- The institution has a present obligation (legal or constructive) as a result of a past event;

- It is possible that an outflow of economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability. A contingent liability arises from a past event that gives the institution a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the institution. Contingent liabilities also arise in circumstances where a provision would otherwise be made, but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the institution a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the institution. Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

## **13 Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full on timing differences that exist at the reporting date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the reporting date.

Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

## **14 Financial instruments**

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

### **(i) Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Financial assets are derecognised when:

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

## **(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from related companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.



In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## **15 Reserves**

Reserves are allocated between unrestricted and, if applicable, restricted reserves whereby the donor has designated a specific purpose and, therefore, the college is restricted in its use of these funds.

## **16 Critical Accounting estimates and judgements**

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.



## Statement of Comprehensive Income

### Year Ended 31 August 2023

		Year ended 31 August 2023	Year ended 31 August 2022
	Notes	£'000	£'000
Income			
Tuition fees and education contracts	1	8,102	8,470
Funding body grants	2	391	303
Other income	3	32	14
<b>Total income</b>		<b>8,525</b>	<b>8,787</b>
Expenditure			
Staff costs	4, 5	3,720	3,243
Other operating expenses	5	2,984	3,059
Depreciation and amortisation	7	151	372
<b>Total expenditure</b>		<b>6,855</b>	<b>6,674</b>
<b>Surplus/( Deficit ) before Tax</b>		<b>1,670</b>	<b>2,113</b>
<b>Taxation</b>	6	344	467
<b>Surplus / (Deficit) for the year</b>		<b>1,326</b>	<b>1,646</b>
<b>Total comprehensive income for the year</b>		<b>1,326</b>	<b>1,646</b>

All items of income and expenditure relate to continuing activities.

The accompanying notes and policies form part of these financial statements.

## Statement of Changes in Equity

### Year ended 31 August 2023

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
<b>Balance at 1 September 2022</b>	<b>1</b>	<b>11,576</b>	<b>11,577</b>
Surplus for the year		1,646	1,646
Prior year adjustment		-	-
Other comprehensive income		-	-
Total Comprehensive income for the year		1,646	1,646
Dividends		-	-
Total transactions with owners recognised directly in equity		-	-
<b>Balance as at 31 August 2023</b>	<b>1</b>	<b>13,222</b>	<b>13,223</b>
<b>Balance as at 01 September 2022</b>	<b>1</b>	<b>13,222</b>	<b>13,223</b>
Prior year adjustments			
Surplus for the year		1,326	1,326
Other comprehensive income		-	-
Total Comprehensive income for the year		1,326	1,326
Dividends		-	-
Total transactions with owners recognised directly in equity		-	-
<b>Balance as at 31 August 2023</b>	<b>1</b>	<b>14,548</b>	<b>14,549</b>





## Statement of Financial Position

### Year ended 31 August 2023

		Year ended 31 August 2023	Year Ended 31 August 2022
	Notes	£'000	£'000
<b>Non-current assets</b>			
Tangible assets	7	580	512
		580	512
<b>Current assets</b>			
Trade and other receivables	8	14,435	14,061
Cash and cash equivalents	12	1,033	1,537
		15,468	15,598
Less: Creditors;			
amounts falling due within one year	9	1,424	2,312
Net current (liabilities)/assets		14,044	13,286
Total assets less current liabilities		14,624	13,798
Creditors: amounts falling due after more than one year	10	75	575
<b>Total net assets</b>		<b>14,549</b>	<b>13,223</b>
Capital & Reserves			
Called up share capital	13	1	1
Income and expenditure reserve - unrestricted	13	14,548	13,222
		14,549	13,223
<b>Total Reserves</b>		<b>14,549</b>	<b>13,223</b>

The financial statements were approved by the Governing Body on 5<sup>th</sup> January, 2024 and were signed on its behalf on that date by:



Mr. Asim Aslam, Chair of the Board of the  
Governors (BOG)



Mr. Bilal Sheikh, Director





## Statement of Cash Flows

### Year ended 31 August 2023

	Notes	Year ended 31 August 2023	Year ended 31 August 2022
		£'000	£'000
<b>Cash flow from operating activities</b>			
Surplus for the year before tax		1,670	2,113
<b>Adjustment for non-cash items</b>			
Depreciation		151	372
Finance Income - Interest received		(24)	(2)
Decrease/(increase) in debtors		(374)	748
Increase/(decrease) in creditors		(602)	(1,110)
<b>Adjustment for investing or financing activities</b>			
Interest payable		13	15
Capital grant income		(100)	(30)
<b>Cash flows from operating activities</b>		<b>734</b>	<b>2,106</b>
<b>Prior Year adjustment in Tax</b>			
<b>Taxation</b>		(344)	(467)
<b>Net cash inflow from operating activities</b>		<b>390</b>	<b>1,639</b>
<b>Cash flows from investing activities</b>			
Payments made to acquire tangible assets		(219)	(67)
Interest Received		24	2
Capital Grant		100	30
		<b>295</b>	<b>1,604</b>
<b>Cash flows from financing activities</b>			
Interest paid		(13)	(15)
New Loans		0	0
Repayments of amounts borrowed		(786)	(1,214)
<b>(Decrease)/increase in cash and cash equivalents in the year</b>		<b>(504)</b>	<b>375</b>
Cash and cash equivalents at beginning of the year		1,537	1,162
<b>Cash and cash equivalents at end of the year</b>	<b>12</b>	<b>1,033</b>	<b>1,537</b>



## Statement of Cash Flows (continued)

Analysis of Changes in Net Funds	At 1st September 2022	Cashflow	At 31st August 2023
	£'000	£'000	£'000
<b>Net cash</b>			
Cash at bank and in hand	1,537	(504)	1,033
<b>Debt</b>			
Debt falling within 1 year	286	(286)	0
Debt falling after 1 year	500	(500)	0
	786	(786)	0
<b>Total</b>	<b>2,323</b>	<b>(1,290)</b>	<b>1,033</b>





## Notes to the Financial Statements

### Year ended 31 August 2023

	Year Ended 31 August 2023	Year Ended 31 August 2022
<b>1 Tuition fees and education contracts</b>	<b>£'000</b>	<b>£'000</b>
Full-time home students	4,760	5,169
Subcontracted course fees	3,342	3,301
	<b>8,102</b>	<b>8,470</b>
<b>2 Funding body grants</b>	<b>£'000</b>	<b>£'000</b>
OFS Capital Grant	100	30
OFS Recurring Grant	273	273
OFS Hardship Grant (cost of living)	18	0
	<b>391</b>	<b>303</b>
<b>OFS Capital Grant received in the year was fully utilised as follows:</b>	<b>£'000</b>	<b>£'000</b>
Disabled student furniture-	4	3
Computers and software	65	27
IT firewalls and UPS	20	0
Printer	2	0
Other classroom furniture and fixtures	9	0
	<b>100</b>	<b>30</b>
<b>The OFS Recurrent Grants received in 2022-23 FY and 2021-22 FY were used:</b>	<b>£'000</b>	<b>£'000</b>
Expenditure to support successful students outcomes	156	245
Expenditure to support disabled students	11	9
OFS student hardship	18	6
Expenditure for student transitions and mental health	12	13
Enhancing Level 4-5	94	0
	<b>291</b>	<b>273</b>
<b>The breakdown of OFS Hardship Grant -"cost of living received:</b>	<b>£'000</b>	<b>£'000</b>
MRC registered students	12	0
Partner University registered students	6	0
	<b>18</b>	<b>0</b>
<b>3 Other income</b>	<b>£'000</b>	<b>£'000</b>
Interest income	24	15
Other	8	0
	<b>32</b>	<b>15</b>

## Notes to the Financial Statements (continued)

### Year ended 31 August 2023

	Year Ended 31 August 2023	Year Ended 31 August 2022
	£'000	£'000
<b>4 Staff costs</b>		
Salaries	3,238	2,841
Social security costs	349	301
Other pension costs	114	101
Other staff costs	19	0
<b>Total</b>	<b>3,720</b>	<b>3,243</b>

	Year Ended 31 August 2023	Year Ended 31 August 2022
	£	£
<b>Total remuneration of the head of the institution</b>		
Basic salary	157,500	157,500
Pension contributions and payments in lieu of contributions	1,321	1,321
<b>Total remuneration</b>	<b>158,821</b>	<b>158,821</b>

The role of the College Chief Executive is challenging, demanding outstanding leadership and people skills to deal with various stakeholders and provide a wide-ranging insight into the role and future of higher education. The College strategy aims to provide high-quality education and excellent outcomes to all students, closing the performance gaps between the most and least represented groups. The Chief Executive plays a crucial part in strategy and value delivery by creating and sustaining strong partnerships, motivating staff and engaging with the students and alumni to address student concerns and celebrate student success. The Chief Executive Officer performance evaluation was carried on 1<sup>st</sup> June 2023 in line with the CUC remuneration code. According to the Board of Governors, the Chief Executive's performance was excellent, and the remuneration package was appropriate for the position. The Board decided to keep the remuneration the same for FY 2023. No dividends were paid for FY 2023 and FY 2022.

The relationship between the head of the provider's remuneration and all employees employed in the reporting year is expressed as a pay multiple. In line with the OFS Accounts Direction, 'all employees' include academic and non-academic staff included in real-time reporting to HMRC who were paid during the FY 2023, including leavers and starters, part-time and hourly paid workers pro-rated up to the full-time equivalent. The pay multiple is expressed as the full-time equivalent of the head of the provider's remuneration divided by the median pay at the provider (also calculated on a full-time equivalent basis):

The head of the provider's basic salary is 4.75 times the median pay of staff (2022: 4.14 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The head of the provider's total remuneration is 4.72 times the median total remuneration of staff (2022: 4.14 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

The number of staff with a basic salary of over £100,000 per annum has been included below.

	Year Ended 31 August 2023	Year Ended 31 August 2022
Basic salary per annum	No.	No.
£105,000-£109,999	1	0
£115,000-£119,999	0	1
£150,000-£154,999	1	0
£155,000 - £159,999	1	1
	<b>3</b>	<b>2</b>

	Year Ended 31 August 2023	Year Ended 31 August 2022
Average staff numbers by major category :	No.	No.
Academic	40	38
Research	1	0
Management & specialist	40	38
Technical	3	3
<b>Total number of staff</b>	<b>84</b>	<b>79</b>

#### Severance payments

No severance payments have been made in the reporting period.

	Year Ended 31 August 2023	Year Ended 31 August 2022
Key management personnel compensation	£'000	£'000
Salary and other emoluments	930	777
	<b>930</b>	<b>777</b>



## Notes to the Financial Statements (continued)

### Year ended 31 August 2023

		Year Ended 31 August 2023	Year Ended 31 August 2022
	Notes	£'000	£'000
<b>5 Analysis of total expenditure by activity</b>			
<b>Staff costs</b>			
Academic departments salaries		1,982	1,825
Admin departments salaries		1,719	1,418
Other staff costs		19	0
		<b>3,720</b>	<b>3,243</b>
<b>Other operating expenses</b>			
Academic and related expenditure		1,190	1,138
Administration and central services		427	619
Premises (including service concession cost)		1,310	1,260
Residences, catering and conferences		57	42
		<b>2,984</b>	<b>3,059</b>
<b>Auditors remuneration (included in other operating expenses)</b>			
External audit - remuneration with respect to audit services		<b>15</b>	<b>15</b>
		Year Ended 31 August 2023	Year Ended 31 August 2022
		£'000	£'000
<b>6 Taxation</b>			
<b>Recognised in the statement of comprehensive income</b>			
<b>Current tax</b>			
Current tax expense		344	467
Current tax expense		<b>344</b>	<b>467</b>
<b>Reconciliation of total tax charge</b>			
<b>Profit before tax:</b>		<b>1,690</b>	<b>2,113</b>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (7 months) and 25%(5 months) (2021 -19%)		363	401
<b>Effects of :</b>			
Capital allowance in excess of depreciation		19	-
Depreciation in excess of capital allowances		-	66
		<b>344</b>	<b>467</b>

## Notes to the Financial Statements (continued)

### Year ended 31 August 2023

#### 7 Tangible Assets

	Freehold Property	Improvements to Property	Plant and Machinery	Furniture, Fixture and Fittings	Motor vehicles	Computer equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 September, 2022	76	1,119	169	507	251	188	<b>2,310</b>
Additions			69	23	59	68	<b>219</b>
Transfers							<b>0</b>
Surplus on revaluation							<b>0</b>
Disposals							<b>0</b>
At 31 August, 2023	76	1,119	238	530	310	256	<b>2,529</b>
Depreciation							
At 1 September, 2022		837	123	475	251	112	<b>1,798</b>
Charge for the year		24	49	24	11	43	<b>151</b>
Written back on revaluation							
Disposals							
At 31 August, 2023	0	861	172	499	262	155	<b>1,949</b>
At 31 August , 2023	76	258	66	31	48	101	<b>580</b>
AS at 31 August, 2022	76	282	46	32	0	76	<b>512</b>

As per the Director's assessment, the value of the land has not increased.

## Notes to the Financial Statements (continued)

### Year ended 31 August 2023

	Year Ended 31 August 2023 £'000	Year Ended 31 August 2022 £'000
<b>8 Trade and other receivables</b>		
Amounts falling due within one year:		
Other receivables	687	1,781
Prepayments and accrued income	740	60
	<b>1,427</b>	<b>1,841</b>
Amounts falling due after more than one year:		
Amounts due from associate companies	13,008	12,220
<b>Aggregate amounts:</b>	<b>14,435</b>	<b>14,061</b>

Amounts due from associate companies include a property acquired by the associate company- Montrosehouse London Ltd (11353976 ) for the sole benefit of Mont Rose College of Management and Sciences Limited to be used as a main campus and registered address (412-416 Eastern Avenue, Montrose House,lg2 6NQ)

<b>9 Creditors : amounts falling due within one year</b>	<b>£'000</b>	<b>£'000</b>
Taxation	44	467
Trade payables	848	861
Social security and other taxation payable	197	86
Payee and pensions	222	199
Accruals and deferred income	113	413
Short term borrowing	0	286
	<b>1,424</b>	<b>2,312</b>

<b>Accruals:</b>	<b>£'000</b>	<b>£'000</b>
Business rates-	23	161
Advertising	0	35
Marketing	17	40
Graduation 2019 and 2020 delayed due to the pandemic	0	18
Other accruals as part of normal business	54	110
	<b>94</b>	<b>364</b>

<b>Deferred income</b>	<b>£'000</b>	<b>£'000</b>
Included with accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.		
OFS Grant income to be released	19	48
	<b>19</b>	<b>48</b>

<b>Short term borrowing</b>	<b>£'000</b>	<b>£'000</b>
Included within the short term borrowings are short term loans repayable within 12 months		
Barclays CBIL	0	286
	<b>0</b>	<b>286</b>

**Year ended 31 August 2023**

	<b>Year Ended 31 August 2023 £'000</b>	<b>Year Ended 31 August 2022 £'000</b>
<b>10 Creditors: Long Term</b>		
Barclays CBIL	0	500
Other	75	75
	<b>75</b>	<b>575</b>

The college decided to repay the long term borrowing during the FY 2023 due to increased cost of borrowing

	<b>Year Ended 31 August 2023 £'000</b>	<b>Year Ended 31 August 2022 £'000</b>
<b>11 Loans</b>		
Analysis of unsecured loans:		
Due within one year or on demand :	0	286
Due between one and two years	0	286
Due between two and five years	0	214
Due in five years or more	0	0
Due after more than one year	0	0
Total unsecured loans	<b>0</b>	<b>786</b>

The College decided to repay the loans during the FY 2023 due to increased cost of borrowing.



## Notes to the Financial Statements (continued)

### Year ended 31 August 2023

	Year Ended 31 August 2023	Year Ended 31 August 2022
	£'000	£'000
<b>12 Cash and cash equivalents</b>		
Cash in the bank accounts	1,033	1,537
<b>Cash and cash equivalents</b>	<b>1,033</b>	<b>1,537</b>

Mont Rose College of Management and Sciences Limited had a £2,000,000 Barclays overdraft facility in FY 2022. The College reduced the Barclays overdraft facility from £2,000,000 to £750,000 and repaid the short term and long term CBIL loan of £786,000 in FY 2023 to save on finance costs. It was decided that the cashflow forecast provide certainty that the liquidity will be sufficient and Risk Register was updated with mitigating actions.

	Year Ended 31 August 2023	Year Ended 31 August 2022
	£'000	£'000
<b>13 Capital and Reserves</b>		
<b>Reserves</b>		
Accumulated income- unrestricted	1,326	1,646
Retained Earning-unrestricted	13,222	11,576
<b>Total Reserves</b>	<b>14,548</b>	<b>13,222</b>

	Year Ended 31 August 2023	Year Ended 31 August 2022
	£'000	£'000
<b>Capital</b>		
Authorised, allotted, called up and fully paid	0	0
1,000 Ordinary shares of £1 each	1	1
	<b>1</b>	<b>1</b>

## Notes to the Financial Statements (continued)

### Year ended 31 August 2023

#### 14 Related party transactions

Mont Rose College of Management and Sciences Limited issued £268,246 (FY2022-£214,652) in FY 2023 to Cranbrook School 1986 Limited (10056540) for the Shakespeare House campus upgrade, which is used by Mont Rose College of Management and Sciences students and staff.

#### 15 Controlling party

The company is controlled by B Sheikh, the ultimate controlling party.

	Year Ended 31 August 2023	Year Ended 31 August 2022
	£'000	£'000
<b>16 Access and Participation</b>		
Access Investment	46	57
Financial Support	117	99
Disability Support (excluding the expenditure in the two categories above)	29	30
Research and Evaluation	14	14
	<b>206</b>	<b>200</b>

In response to the OFS Accounts Direction, this note discloses the expenditure on access activities, financial support provided to under-represented and disadvantaged students, disabled student support, including the disabled student premium and the expenditure on research and evaluation related to access and participation activities in the financial year. Expenditure on success and progression activities is not included in this note. The Access and Participation Plan 2020-21-2024-25 is available at: <https://mrcollege.ac.uk/access-and-participation-plan-2020-21-2024-25/>.

(i) £89,000 of these costs (£101,000 FY 2022) are included in the overall staff costs figures included in the financial statements, see note 4.

The financial support includes actual hardship expenditure released to the students in the FY 2023 and FY 2022.

Access investment includes all expenditure in the FY2023 and FY 2022 on access activities and measures that support ambitions set out in the Access and Participation Plan 2020-25.

Disability support includes only direct cost attributable to individual disabled students and excludes other admin costs of the welfare department.

One of the most beautiful qualities of true Partnership is to understand and to be understood. Yesterday is not ours to recover, but tomorrow is ours to win or lose.

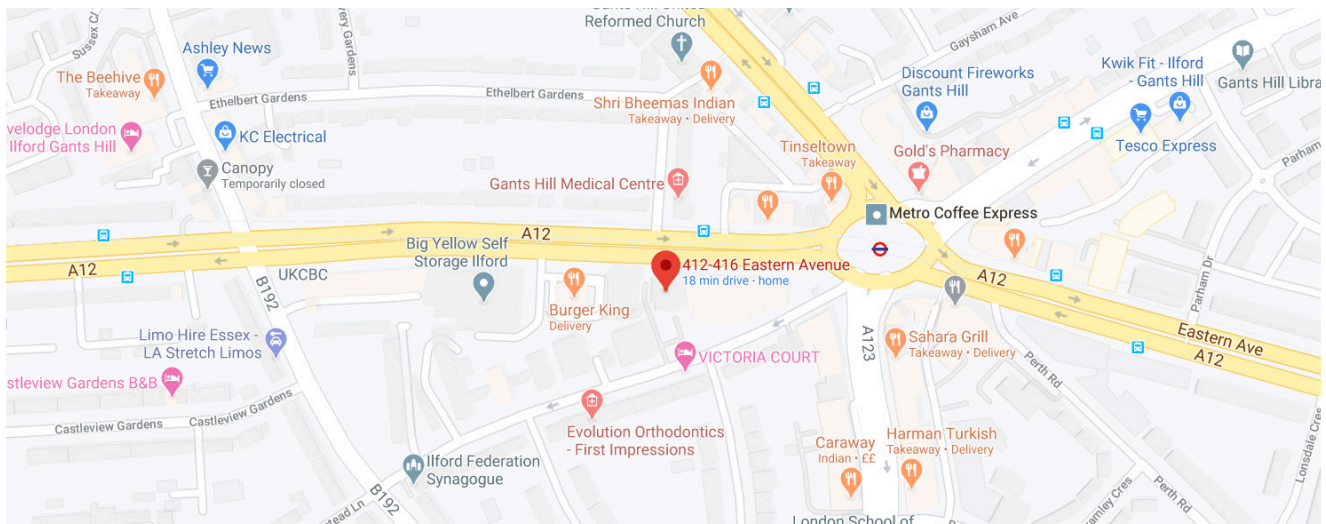




# Our Campus

## Mont Rose House

412-416 Eastern Avenue, Gants Hill, IG2 6NQ



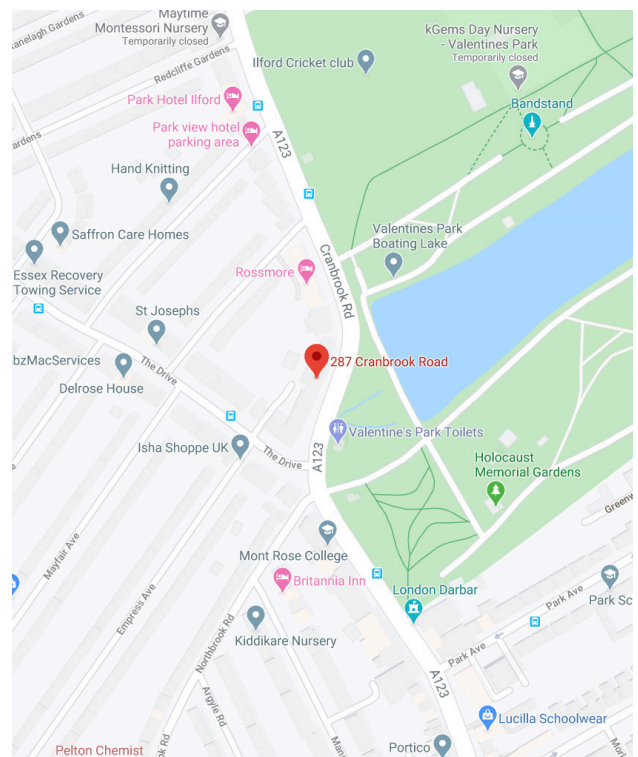
## Shakespeare House

267 Cranbrook Road, Ilford, Essex IG1 4TG



## Churchill House

287-289 Cranbrook Road, Ilford, Essex IG1 4UA







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