

Registration number: 09188277

# MLA College Limited

formerly Marine Learning Alliance Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2022

Houndiscombe Consultants Limited  
T/A Condy Mathias Chartered Accountants  
6 Houndiscombe Road  
Plymouth  
Devon  
PL4 6HH

# MLA College Limited

## Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 7
Statement of Income and Retained Earnings	8
Balance Sheet	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 to 20
Detailed Profit and Loss Account	21 to 23

## **MLA College Limited**

### **Company Information**

<b>Directors</b>	Mr Enver Yucel Mr Hüseyin Yucel Dr Basak Akdemir Mr Christopher Gaunt
<b>Registered office</b>	Unit C1 Apollo Court Neptune Park Cattedown Plymouth Devon PL4 0SJ
<b>Auditors</b>	Houndiscombe Consultants Limited T/A Condy Mathias Chartered Accountants 6 Houndiscombe Road Plymouth Devon PL4 6HH

## MLA College Limited

### Directors' Report for the Year Ended 30 September 2022

The directors present their report and the financial statements for the year ended 30 September 2022.

#### **Directors of the company**

The directors who held office during the year were as follows:

Mr Enver Yucel

Mr Hüseyin Yucel

Dr Basak Akdemir

Mr Christopher Gaunt

Mr Gwynne Lewis (ceased 16 December 2022)

Mrs Sarah Dhanda (ceased 16 December 2022)

#### **Principal activity**

The principal activity of the company is the provision of online and distance learning degrees in a range of Maritime and Marine based subjects.

#### **Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 17 February 2023 and signed on its behalf by:

*Basak Akdemir*

.....  
Dr Basak Akdemir  
Director

## **MLA College Limited**

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

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## MLA College Limited

### Independent Auditor's Report to the Members of MLA College Limited

#### Opinion

We have audited the financial statements of MLA College Limited (the 'company') for the year ended 30 September 2022, which comprise the Statement of Income and Retained Earnings, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## MLA College Limited

### Independent Auditor's Report to the Members of MLA College Limited

#### Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

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

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

#### Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 3], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor 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:

## MLA College Limited

### Independent Auditor's Report to the Members of MLA College Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our audit procedures are capable of detecting irregularities, including fraud is detailed below.

As part of our audit planning, through discussions with management, we obtained an understanding of the legal and regulatory framework that is applicable to the company and the sector in which it operates to identify the key laws and regulations affecting the company.

The key laws and regulations we identified were health and safety, and employment laws. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006, the reporting framework (FRS 102), and the relevant tax compliance regulations in the UK.

We discussed with management how the compliance with these laws and regulations is monitored and we discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the company's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

We also evaluated the risk of fraud through management override including that arising from management's incentives. The key risk we identified was fraudulent financial reporting.

In response to the identified risk, as part of our audit work we:

- Identified and tested journal entries throughout the year and year end adjustments, for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates, in particular in relation to the useful economic lives of intangible assets and the stage of completion of courses and the deferred income thereon.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of the instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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.

## MLA College Limited

### Independent Auditor's Report to the Members of MLA College Limited

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Richard Baker*

Richard Baker FCA (Senior Statutory Auditor)  
For and on behalf of Houndiscombe Consultants Limited, Statutory Auditor

T/A Condy Mathias Chartered Accountants  
6 Houndiscombe Road  
Plymouth  
Devon  
PL4 6HH

17 February 2023

## MLA College Limited

### Statement of Income and Retained Earnings for the Year Ended 30 September 2022

	Note	2022 £	2021 £
Turnover		1,387,280	1,223,834
Cost of sales		<u>(564,265)</u>	<u>(259,213)</u>
Gross profit		823,015	964,621
Administrative expenses		<u>(1,490,857)</u>	<u>(1,255,613)</u>
Operating loss		(667,842)	(290,992)
Interest payable and similar charges		<u>(1,505)</u>	<u>(4,325)</u>
Loss before tax	5	<u>(669,347)</u>	<u>(295,317)</u>
Loss for the financial year		(669,347)	(295,317)
Retained earnings brought forward		<u>(2,256,307)</u>	<u>(1,960,990)</u>
Retained earnings carried forward		<u><u>(2,925,654)</u></u>	<u><u>(2,256,307)</u></u>

The notes on pages 12 to 20 form an integral part of these financial statements.

**MLA College Limited**  
**(Registration number: 09188277)**  
**Balance Sheet as at 30 September 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	6	498,102	451,475
Tangible assets	7	<u>152,832</u>	<u>187,504</u>
		<u>650,934</u>	<u>638,979</u>
<b>Current assets</b>			
Debtors	8	302,527	285,801
Cash at bank and in hand		<u>124,839</u>	<u>115,661</u>
		427,366	401,462
<b>Creditors: Amounts falling due within one year</b>	9	<u>(1,275,703)</u>	<u>(1,067,916)</u>
<b>Net current liabilities</b>		<u>(848,337)</u>	<u>(666,454)</u>
<b>Total assets less current liabilities</b>		(197,403)	(27,475)
<b>Creditors: Amounts falling due after more than one year</b>	9	<u>(1,725,226)</u>	<u>(1,620,852)</u>
<b>Net liabilities</b>		<u>(1,922,629)</u>	<u>(1,648,327)</u>
<b>Capital and reserves</b>			
Called up share capital		200,000	200,000
Fair value reserve		803,025	407,980
Retained earnings		<u>(2,925,654)</u>	<u>(2,256,307)</u>
Shareholders' deficit		<u>(1,922,629)</u>	<u>(1,648,327)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 17 February 2023 and signed on its behalf by:

*Basak Akdemir*

Dr Basak Akdemir  
 Director

**MLA College Limited**

**Statement of Changes in Equity for the Year Ended 30 September 2022**

	<b>Share capital</b>	<b>Fair value</b>	<b>Retained</b>	<b>Total</b>
	<b>£</b>	<b>reserve</b>	<b>earnings</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2021	200,000	407,980	(2,256,307)	(1,648,327)
Loss for the year	-	-	(669,347)	(669,347)
Transfers	-	395,045	-	395,045
At 30 September 2022	<u>200,000</u>	<u>803,025</u>	<u>(2,925,654)</u>	<u>(1,922,629)</u>

	<b>Share capital</b>	<b>Fair value</b>	<b>Retained</b>	<b>Total</b>
	<b>£</b>	<b>reserve</b>	<b>earnings</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2020	200,000	263,827	(1,960,990)	(1,497,163)
Loss for the year	-	-	(295,317)	(295,317)
Transfers	-	144,153	-	144,153
At 30 September 2021	<u>200,000</u>	<u>407,980</u>	<u>(2,256,307)</u>	<u>(1,648,327)</u>

The fair value reserve is the value of the discounting adjustment made on the non-current borrowings. Further details are disclosed in notes 9 to 11.

## MLA College Limited

### Statement of Cash Flows for the Year Ended 30 September 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Loss for the year		(669,347)	(295,317)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation		199,199	176,959
Finance costs		1,505	4,325
		<u>(468,643)</u>	<u>(114,033)</u>
Working capital adjustments			
Increase in trade debtors	8	(16,726)	(42,550)
Increase in trade creditors	9	207,786	177,585
		<u>(277,583)</u>	<u>21,002</u>
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(36,425)	(10,684)
Acquisition of intangible assets	6	(174,729)	(226,362)
		<u>(211,154)</u>	<u>(237,046)</u>
<b>Cash flows from financing activities</b>			
Interest paid		(1,505)	(4,325)
Proceeds from other borrowing draw downs		499,420	300,115
		<u>497,915</u>	<u>295,790</u>
Net cash flows from financing activities		<u>497,915</u>	<u>295,790</u>
Net increase in cash and cash equivalents		9,178	79,746
Cash and cash equivalents at 1 October		<u>115,661</u>	<u>35,915</u>
Cash and cash equivalents at 30 September		<u><u>124,839</u></u>	<u><u>115,661</u></u>

The notes on pages 12 to 20 form an integral part of these financial statements.

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### 1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Unit C1 Apollo Court  
Neptune Park  
Cattedown  
Plymouth  
Devon  
PL4 0SJ

The principal place of business is:

The Merchant  
St Andrew Street  
Plymouth  
Devon  
PL1 2AX

#### 2 Accounting policies

##### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years, unless otherwise stated.

##### Going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The company had net current liabilities of £848,337 (2021: £666,454) and total net liabilities of £1,922,629 (2021: £1,648,327) as at 30 September 2022. The directors of the company have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern.

The directors are of the opinion that the company will have sufficient resources to meet its liabilities as they fall due as the former parent company, the Institute of Marine Engineering, Science and Technology (IMarEST), has assigned its loan to the parent company BAU Global Limited post year end. Furthermore BAU Global Limited has committed to the same terms of the loan and will not require repayment until the company is in a financial position to allow it to make repayments on all amounts outstanding to it. BAU Global Limited through its ultimate controlling party Mr E Yucel will also continue to provide financial support to the company as required.

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### Key sources of estimation uncertainty

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

#### Revenue recognition

Turnover derives from the principal activity of the company arising in the UK. Revenue is recognised at cost value when these services are provided, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the company. Where income is received in advance of this provision of services, it is held on the statement of financial position as deferred income and released in the period in which services are provided. Income is treated as earned according to the type of income:

- Income from the sale of distance e-learning modules is accrued using the stage of completion method;
- Income from one off consultancy projects or tuition over a period of time is recognised over the life of the project based on the stage of completion.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and excludes recoverable VAT. Expenditure comprises the direct costs associated with the delivery of the company's services as well as general administrative support costs.

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	7 years straight line
Plant and machinery	3 years straight line

#### Goodwill

The cost of the trade and e-learning modules transferred from Plymouth University on acquisition has been capitalised as goodwill.

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### Development costs

Staff and other direct costs associated with the development of further educational modules are capitalised as development costs where:

- the module has an estimated useful life of more than one year;
- there is a reasonable expectation that the revenue to be generated over the useful life of the product will exceed the expected total development costs and that those costs are separately identifiable and quantifiable
- the modules are new or substantially improved compared to those already in existence; and
- the future success of the modules have been assessed with reasonable certainty as to their technical feasibility and their ultimate commercial viability.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	7 years straight line
Development costs	7 years straight line

#### Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Amounts due are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be measured reliably. Borrowings are recognised at the amount the company anticipates it will pay to settle the debt and have been discounted to the present value of the future cash payment.

#### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### **Critical accounting judgements and estimation uncertainty**

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

#### *Capitalisation of Intangible assets*

Intangible assets are capitalised on the basis of actual costs incurred and a percentage of hours worked by staff on the projects. The estimates of time costs are based upon employee reporting and progress made on projects.

#### *Discount rate used to disclose loans at net present value*

FRS102 requires loans with no or below market rate interest to be disclosed at their net present value, in order to calculate the net present value a market rate of interest must be determined. After due consideration of current market conditions the directors consider a rate of 6.5% to be appropriate.

#### *Depreciation and amortisation*

The annual charge for both depreciation and amortisation is sensitive to changes in the useful economic lives of such assets. These are re-assessed annually and amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

#### *Bad debts*

Bad debts are assessed as non-recoverable when it is deemed the student will not be completing their course, which is invoiced in advance. Communication with students is open and continuous therefore it is possible to assess when students are to become interrupted.

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### 3 Staff costs

The average number of persons employed by the company (including directors) during the year, was 18 (2021 - 16).

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	801,968	646,727
Social security costs	108,475	83,250
Other short-term employee benefits	14,946	29,716
Pension costs, defined contribution scheme	73,978	61,336
Other employee expense	72,388	53,233
	<u>1,071,755</u>	<u>874,262</u>

#### 4 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>5,640</u>	<u>5,125</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>11,320</u>	<u>4,700</u>

#### 5 Loss before tax

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	71,097	66,652
Amortisation expense	<u>128,102</u>	<u>110,307</u>

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### 6 Intangible assets

	Goodwill £	Website £	Internally generated software development costs £	Total £
<b>Cost or valuation</b>				
At 1 October 2021	196,000	-	792,487	988,487
Additions acquired separately	-	25,700	149,029	174,729
At 30 September 2022	<u>196,000</u>	<u>25,700</u>	<u>941,516</u>	<u>1,163,216</u>
<b>Amortisation</b>				
At 1 October 2021	196,000	-	341,012	537,012
Amortisation charge	-	-	128,102	128,102
At 30 September 2022	<u>196,000</u>	<u>-</u>	<u>469,114</u>	<u>665,114</u>
<b>Carrying amount</b>				
At 30 September 2022	<u>-</u>	<u>25,700</u>	<u>472,402</u>	<u>498,102</u>
At 30 September 2021	<u>-</u>	<u>-</u>	<u>451,475</u>	<u>451,475</u>

An impairment review of all intangible assets was conducted in the year ended 30 September 2022 in accordance with FRS102. This review found that no impairment provision was necessary.

**MLA College Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2022**

**7 Tangible assets**

	<b>Leasehold Land and buildings £</b>	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 October 2021	196,706	149,053	345,759
Additions	-	36,425	36,425
At 30 September 2022	<u>196,706</u>	<u>185,478</u>	<u>382,184</u>
<b>Depreciation</b>			
At 1 October 2021	56,437	101,818	158,255
Charge for the year	28,102	42,995	71,097
At 30 September 2022	<u>84,539</u>	<u>144,813</u>	<u>229,352</u>
<b>Carrying amount</b>			
At 30 September 2022	<u>112,167</u>	<u>40,665</u>	<u>152,832</u>
At 30 September 2021	<u>140,269</u>	<u>47,235</u>	<u>187,504</u>

**8 Debtors**

	<b>2022 £</b>	<b>2021 £</b>
<b>Current</b>		
Trade debtors	152,203	208,330
Prepayments	120,070	67,926
Other debtors	30,254	9,545
	<u>302,527</u>	<u>285,801</u>

## MLA College Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022

#### 9 Creditors

##### Creditors: amounts falling due within one year

	2022	2021
	£	£
<b>Due within one year</b>		
Trade creditors	132,876	65,457
Amounts owed to group undertakings and undertakings in which the company has a participating interest	480,000	480,000
Taxation and social security	34,217	124,407
Accruals and deferred income	570,187	352,485
Other creditors	58,423	45,567
	1,275,703	1,067,916

##### Creditors: amounts falling due after more than one year

		2022	2021
	Note	£	£
<b>Due after one year</b>			
Loans and borrowings	10	100,000	-
Amounts owed to group undertakings and undertakings in which the company has a participating interest		1,625,226	1,620,852
		1,725,226	1,620,852

During the year the directors reassessed the expected loan repayments to group undertakings and undertakings in which the company has a participating interest due in more than one year. Due to anticipated cashflow in future years, these loans have been discounted to their net present value. The gross value of these loans is £2,908,251 (2021:£2,046,482)

#### 10 Loans and borrowings

	2022	2021
	£	£
<b>Non-current loans and borrowings</b>		
Other borrowings	100,000	-
	100,000	-

## **MLA College Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2022**

#### **11 Related party transactions**

##### **Summary of transactions with parent**

At the year end Bau Global Limited held 60% of the share capital of MLA College Limited. During the year Bau Global Limited made advances of £429,419 (2021: £392,584) to MLA College Limited via Bahcesehir University and received repayments of £30,000 (2021: £222,000). As at 30 September 2022 MLA College Limited owed Bau Global Limited £1,056,578 (2021: £657,159), which has been recorded in these financial statements at its net present value of £597,468.

Since the year end BAU Global Limited has acquired 100% of the share capital of MLA College Ltd.

##### **Summary of transactions with other related parties**

The Institute of Marine Engineering, Science & Technology (ImarEst) indirectly held 40% of the share capital of MLA College Limited, at the year end. During the year the charity made no additional advances or received repayments. ImarEst did not charge the company (2021: £62,885 and received credit notes of £5,823) for seconded staff. As at 30 September 2022 MLA College Limited owed the charity £1,831,674 (2021: £1,831,674), which has been recorded in these financial statements at its net present value of £1,027,758 (2021: £1,601,022).

Since the year end ImarEst has disposed of its 40% of the share capital of MLA College Ltd and has assigned the above loan to BAU Global Limited for a total consideration of £1.4m.

#### **12 Parent and ultimate parent undertaking**

The company's immediate parent is BAU Global Limited, incorporated in England.

The ultimate controlling party is Enver Yucel.

## MLA College Limited

### Detailed Profit and Loss Account for the Year Ended 30 September 2022

	2022 £	2021 £
Revenue	<u>1,387,280</u>	<u>1,223,834</u>
Cost of sales	<u>(564,265)</u>	<u>(259,213)</u>
Gross profit	<u>823,015</u>	<u>964,621</u>
<b>Administrative expenses</b>		
Employment costs	751,432	729,032
Establishment costs	135,773	96,999
General administrative expenses	383,924	232,602
Finance charges	20,529	20,021
Depreciation costs	<u>199,199</u>	<u>176,959</u>
	<u>1,490,857</u>	<u>1,255,613</u>
Operating loss	<u>(667,842)</u>	<u>(290,992)</u>
Other interest receivable and similar income	70	-
Interest payable and similar expenses	<u>(1,575)</u>	<u>(4,325)</u>
	<u>(1,505)</u>	<u>(4,325)</u>
Loss before tax	<u>(669,347)</u>	<u>(295,317)</u>

**MLA College Limited**

**Detailed Profit and Loss Account for the Year Ended 30 September 2022**

	<b>2022</b>	<b>2021</b>
	£	£
<b>Turnover</b>		
Module fee income	1,394,780	680,334
Programme development income	-	550,000
Grants and subsidies	<u>(7,500)</u>	<u>(6,500)</u>
	<u>1,387,280</u>	<u>1,223,834</u>
<b>Cost of sales</b>		
Direct costs	211,230	98,217
Wages and salaries	253,021	110,157
Staff NIC	37,414	12,176
Staff pensions	29,298	14,883
Private health insurance	8,157	8,014
Hire of plant and machinery	5,600	2,800
Insurance	<u>19,545</u>	<u>12,966</u>
	<u>564,265</u>	<u>259,213</u>
<b>Employment costs</b>		
Wages and salaries	417,709	365,686
Staff NIC	53,377	54,130
Directors remuneration	131,238	170,884
Directors NIC	17,684	16,944
Staff pensions	34,887	33,121
Directors pensions	9,793	13,332
Private health insurance	6,789	21,702
Subcontract cost	7,567	-
Staff training	11,205	9,087
Travelling	<u>61,183</u>	<u>44,146</u>
	<u>751,432</u>	<u>729,032</u>
<b>Establishment costs</b>		
Rent	119,071	87,871
Rates	161	395
Light, heat and power	12,061	7,754
Repairs and maintenance	<u>4,480</u>	<u>979</u>
	<u>135,773</u>	<u>96,999</u>
<b>General administrative expenses</b>		
Telephone and fax	7,104	4,797
Computer software and maintenance costs	71,174	21,662
Printing, postage and stationery	4,977	6,270
Trade subscriptions	21,329	14,189
Sundry expenses	3,346	1,058
Cleaning	9,431	9,360

This page does not form part of the statutory financial statements.

## MLA College Limited

### Detailed Profit and Loss Account for the Year Ended 30 September 2022

	2022	2021
	£	£
Management charges payable	-	25,825
Advertising	187,001	83,147
Customer entertaining	246	2,024
Accountancy fees	9,900	3,091
Auditor's remuneration - The audit of the company's annual accounts	5,640	5,125
Auditors' remuneration - non audit work	11,320	4,700
Consultancy fees	20,131	1,925
Legal and professional fees	32,325	43,349
Bad debts written off	-	6,080
	383,924	232,602
<b>Finance charges</b>		
Bank charges	20,529	20,021
	20,529	20,021
<b>Depreciation costs</b>		
Amortisation of intangible assets	128,102	110,307
Depreciation of fixtures and fittings	71,097	66,652
	199,199	176,959
<b>Other interest receivable and similar income</b>		
Other interest receivable	(70)	-
	(70)	-
<b>Interest payable and similar expenses</b>		
Other interest payable	994	4,325
Foreign currency (gains)/losses	581	-
	1,575	4,325
Loss before tax	(669,347)	(295,317)