

**LONDON
FILM SCHOOL**
lfs.org.uk

**London
Film
School
Limited**

**Annual Report and Financial
Statements**

31 August 2024

Company Limited by Guarantee
Registration Number
01197026 (England and Wales)
Charity Registration Number
270302

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Reference and administrative information

Governors

Greg Dyke (Chair)
Amanda Nevill CBE (Vice Chair)
Kemal Akhtar
Suzy Black
Peter Holliday (resigned 17/7/2024)
Nicholas Humby
Olivier Kaempfer
William MacPherson
Ellinor Olinder (Student Governor) (appointed 21/2/2024)
Cindy Rampersaud (resigned 17/7/2024)
Gregory Randolph (Student Governor) (resigned 21/2/2024)
Joan Watson
Sophia Wellington (Staff Governor)

Management Team

Neil Peplow (Director and Chief Executive) appointed 30/1/23 and resigned 5/11/2023
Christopher Auty (Director and Chief Executive Officer) appointed 6/11/2023
Femi Kolade (Director of Studies) retired 22/12/2023
Dan Lawson (Chief Operating Officer) resigned 6/11/2023
Rodney Jones (interim Chief Operating Officer) joined 16/10
Veronique Fricke (Head of Marketing & Student Recruitment) resigned 1/11/2023
Holly Blake (Head of Marketing) appointed 2/11/2023
Margaret Glover (interim MA Filmmaking Course Leader) joined 26/3/2023, retired 31/10/2023
Charis Cloke (MA Filmmaking Course Leader) appointed 4/9
Michele Maher (Academic Registrar)
Anita O'Connor (Head of Finance)
Victoria Thomas (MA International Film Business Course Leader)
Claudia Lana (Head of HR)
Sophia Wellington (MA Screenwriting Course Leader)
Mark Prescott (Head of New Business & Training) appointed 13/5/2024

Principal address and registered office

24 Shelton Street
London
WC2H 9UB

Telephone 0207 836 9642
Facsimile 0207 497 3718
Website www.lfs.org.uk
E-mail info@lfs.org.uk

Reference and administrative information

Company registration number 01197026 (England and Wales)

Charity registration number 270302

Auditor HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Bankers Royal Bank of Scotland
London Drummonds Branch
49 Charing Cross
London
SW1A 2DX

Solicitors Pinsent Masons LLP
30 Crown Place
London
EC2A 4ES

Chair's Introduction to Annual Report and Financial Statements, 31 August 2024

These are the accounts for the London Film School for the year ending 31 August 2024.

London Film School has seen significant development over the past 12 months with the appointment of senior leadership positions, including School Director, Chris Auty and the development of the School's magnificent new principal teaching building in Covent Garden which has been made possible with the support and philanthropy of Michael Chambers. The School continues to grow and is preparing to launch a range of new courses and to expand its UK outreach and short course offering.

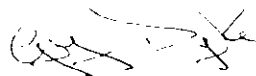
The School continues to consolidate its position as a leading global institution for cinematic education and artistic expression – which was underlined by the selection for the third year in a row of an LFS graduate film in one of the main competitive selections for student work at the Cannes Film Festival 2024. I have had the privilege of witnessing at first hand the talent, dedication, and vision of our students and staff through their work and seeing the host of accolades and achievements that continues to be awarded. London Film School remains committed to its mission of fostering innovative storytelling and providing an exceptional platform for aspiring filmmakers to thrive in an ever-evolving and global industry.

Throughout the past year, we have embraced opportunity and managed the challenges facing us – not least in overcoming the disruption caused by building works around our Shelton Street historic home, as the final phase of the exciting Covent Garden Yards property development came to fruition in the year under review. The School's ability to adapt to changing environments and deliver growth has been crucial. From the adjustment to new facilities to the exploration of diverse storytelling perspectives, we have maintained our focus on equipping our students with the skills and mindset required to succeed in the dynamic creative environment of the modern screen industries.

As we look to the future, we do so with confidence and optimism. The Board is committed to supporting the School in its vision to continue shaping the storytellers of tomorrow while preserving the legacy of excellence that has defined London Film School for decades.

Financially, the School has worked diligently to ensure future sustainability and transparency, and that is reflected in the accounts presented in this report.

I would like to thank my fellow Governors for their unstinting commitment and work in supporting the School and overseeing the significant strategic paths for change and development on which the School has embarked this year. On behalf of the Board, I extend my deepest gratitude to all of the staff, students and supporters who have made possible our achievements this year.



Greg Dyke
January 2025

Governors report Year to 31 August 2024

The Governors present their annual report together with the financial statements of London Film School Limited for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out on pages 22 to 25 and comply with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), section edition effective 1 January 2019.

Overview

The 2023/24 academic year has seen significant and dynamic changes for London Film School (LFS). The most substantial change will see the School move much of its teaching into a spacious, and newly equipped building in Covent Garden, for the start of the spring 2025 term, marking a step change in provision for the MA programmes.

The last year has also seen senior personnel join LFS and add their experience and leadership abilities to the School, allowing for growth and progression throughout the management and academic development of the School. Chris Auty was appointed CEO and Director in November 2023, following the appointment of Charis Coke as Course Leader of MA Filmmaking earlier in the year.

The move into a new building has allowed for the existing LFS building to be significantly renewed and regenerated.

The School move

In taking tenancy of the building at 39-41 Parker Street, all three MA programmes will be taught under the same roof, with students working in sound stages, production design studios, post-production suites and teaching spaces together. The move provides a step-change in quality, space and flexibility in space use for our students and staff.

Uniquely, this building is shared with the groundbreaking Garden Cinema, the first independent cinema to open in the West End in over 20 years. Together the two facilities create a film and screen industries hub in the heart of central London.

Senior leadership appointments

Chris Auty was appointed School Director and CEO in November 2023. Chris had been a senior Head of Department at the National Film and Television School for the previous ten years.

Chris also brought with him extensive experience in the film industry as founder of The Works plc, and Managing Director of the Recorded Picture Company. He has worked with directors including Bernardo Bertolucci, David Cronenberg, Michael Winterbottom, and Vincent Ward.

Charis Coke also joined as Course Leader in September 2023 to develop the flagship MA Filmmaking programme. Charis was previously programme director at the University for the Creative Arts, Farnham and trained originally in film sound design. Mark Prescott was also appointed as Head of New Business and Training. A former Clore fellow and new business development executive, Mark had previously served as a senior exec at the British Film Institute. Rod Jones was appointed acting COO in October 2023. Prior to joining LFS, Rod served extensively as a COO and change manager at various leading educational institutions including UCL Academic Programmes Office, and extensively at the Italia Conti Academy of Theatre Arts where he oversaw the renaissance of the academy and its move to entirely new premises.

Workshops

LFS offers a wide range of workshops for professional development, developing skills and creativity, or simply exploring a passion for cinema. The primary objective of establishing LFS is to open pathways for the next generation of filmmaking talent to have the opportunity to study and grow their skills.

The workshops will be housed in the previous School building, the renowned 24 Shelton Street, which has been retained after the move to Parker Street, to preserve the wealth of the School's filmmaking history, as well as its dedicated filmmaking studios and two cinemas.

Achievements and Performance

This was an exceptional year, with a particular concentration of outcomes during the Cannes Film Festival in May 2024. MA Filmmaking grad Dovydas Draksas saw his LFS graduation film *Praeis* selected in La Cinef – the main Cannes official Palme competition for student films from around the world.

Alumni success at Cannes in 2024 also included filmmaking alumni Cem Demirer and Sebastian Lojo. Their film *Noksan* won the Canal+ Award for Short Film in Semaine de la Critique at Cannes 2024. *Noksan (Absent)* was written and directed by Cem Demirer, with Sebastián Lojo as cinematographer. Separately, screenwriting alumna Chloe Hudson took part in CANNESERIES Unlimited, a writing residency that aims to develop the next generation of series writers.

Reflecting the wide range of work that comes from our students, Pierre Alain Giraud won an award at the Cannes Immersive Competition for Best Immersive Work – his film *Colored* is an XR immersive experience directed by Pierre and Stéphane Foenkinos, based on Tania de Montaigne's book *Noire*. This augmented reality film tells the story of Claudette Colvin, who, at 15 years old, was arrested for refusing to give up her seat to a white passenger on a bus in 1950s segregated America. The width and range of Cannes outcomes was celebrated on the ground by the 25-strong cohort of the school's MAIFB students attending the Cannes Film Market, and taking part in a series of industry seminars hosted at the new campus of the Cannes Mandelieu University, with specialist finance tutors from the international film business.

Other highlights of the year include this edition of the annual Audiovisual Pitching competition in Barcelona (Nov 2023): LFS our grads were selected for the main event at Audiovisual Talent Week: MA International Film Business students, Colleen Sullivan and Shammika Mukherjee, and Chenzhe Chloe He and Xiangming Huang from MA Screenwriting were all recognised as emerging talent in the screen industries.

Objectives and Activities

The School's principal purpose is the provision of professional-level training in the art and technique of film production and feature film screenwriting. Our core provision includes a two-year MA Filmmaking degree covering all of film's craft and interpretative departments, and a one-year MA degree in Screenwriting. The MA in International Film Business continues in partnership with Exeter University, as does a successful PhD Film by Practice programme.

From September 2023 until August 2024 a total of 160 students graduated from the three MA programmes: 41 for MA Screenwriting, 79 for MA Filmmaking and 40 for MA International Film Business.

The School has offered 25 short course workshops for film and television professionals in the past year.

Objectives and Activities (continued)

The School also offers an expanding programme of outreach projects, bringing filmmaking training and education to audiences who could not normally access such opportunities for reasons of cost or geography.

The Governors confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the School's objectives and aims and in planning future activities.

The School's main objectives for the year were:

- ◆ Ensure that the School is appropriately resourced and situated in contemporary facilities matching the excellence in our teaching and delivering a peerless learning experience
- ◆ Ensure our film education is accessible to all UK students irrespective of background or income
 - ◇ Since registering with the Office for Students in 2019, all postgraduate programme-qualify for postgraduate loan support. New bursaries were introduced in 2020 and 2021 to support UK students on both MA Filmmaking and MA Screenwriting programmes
- ◆ Maintain our excellent international profile, exporting best-practice around the world and bringing new global perspectives to our pedagogy
 - ◇ The School continues to be a member of CILECT (the International Association of Film and Television Schools), and its regional division GEECT (European Grouping of Film and Television Schools).
- ◆ Ensure our film education offer continues to be among the best in the world and is relevant to the film and wider creative industries of today, and tomorrow
 - ◇ Our Director of Studies continued to work closely with the academic team to further improve quality monitoring and the process by which student feedback is captured, listened to and responded to.
 - ◇ The School has a Professional Development Leave (PDL) scheme for staff, to help our workforce to continually improve their professional skills, practice, and learning. This enhances their ability to teach/support our students.
- ◆ Build new and lasting partnerships and collaborations with industry and relevant institutions
 - ◇ We continued to build strong links with local industry partners including the BFI, Film London, ScreenSkills, and more. We were especially pleased to continue our partnership with Film London's Equal Access Network.

Bursaries and student funding

The School is focused on ensuring film education is accessible irrespective of background. As a result, the School has two means-tested Hardship Emergency Funds (i) for Home status students and (ii) for International students to support those students that were experiencing unexpected short-term emergency or crises. The criteria for Home status students were intended to help with unforeseen increase to the day-to-day expenses and course related costs, such as cost of childcare, medical expenses or utilities.

Objectives and Activities (continued)

The School continues to work alongside the Leverhulme Trust which provides bursaries to home students who meet the means-tested criteria.

Activities

a. Workshops

The School's series of short courses and workshops are open to the public providing an inclusive opportunity for new and young filmmakers to get hands-on, practical and intensive learning experiences without the entry requirements and time demanded by the MA programmes.

The short courses on offer are continuously reviewed to allow for more dynamic or urgent shifts in industry demand. Offering the courses over evenings and weekends allows LFS to provide professional development outside of typical working hours.

b. Outreach

The LFS Outreach programme reflects the holistic, practice-based learning which is at the core of LFS teaching. LFS develops and delivers a wide programme of film education courses to the young people in and around London as well as further afield.

LFS firmly believes that making films is a challenging and powerful creative process which benefits young people in many ways. Our mission is to make filmmaking accessible to young people anywhere, empowering them to develop their creativity, embed core life skills and support them in their efforts to tell their own stories.

The School has a number of initiatives in place to achieve this, including an extensive outreach programme that engages with local schools, colleges and youth organisations to introduce young people to filmmaking. Our courses offer the opportunity to engage in the creative process of making a film, igniting, and nurturing creative potential, boosting confidence and self-esteem.

LFS is hugely proud of delivering a truly unique, creative and artistic outreach programme for the children and young people in London. By providing young people with access to high quality film education, we are helping to open new opportunities for young people from all backgrounds, contributing to a more diverse and inclusive film industry.

c. Masterclasses

The Masterclasses allow students, alumni and staff to hear from experts and brilliant minds across the world of filmmaking. The masterclasses serve to inspire hope, learn more and connect students, staff and alumni with those working in the industry.

Financial review

A summary of the year's results can be found on page 19 of the attached financial statements. Total income for the year was £7,470,179 (2023 - £7,954,707). Much of the tuition fee income is from the MA Filmmaking course. The London Film School received grant funding of £0.7m by the Office for Students, in recognition as a World Leading Specialist Provider.

Total expenditure for the year amounted to £7,867,245 (2023 - £6,473,928).

Governors report Year to 31 August 2024

The net movement in funds for the year was a deficit of £397,066 (2023 – surplus of £1,480,779). During the year there was a significant movement of funds, partly due on the one hand to the receipt of two years' worth of Office for Students funding in the prior year and on the other hand due to significant additional costs incurred during the year as a result of dislocation following noisy building works in an adjacent building. These are one-time costs and, though the outcome is still uncertain, it is expected that a proportion of these costs will be recoverable.

Reserves Policy and financial position

The reserves policy is to maintain unrestricted reserves appropriate to ensure financial stability, continuity of activities, and effective management of risks. Governors will have regard to the School's future plans, liquidity requirements, and proportionate contingency funds against unexpected adverse events. The reserves policy is to be kept under review in the following year.

On 31 August 2024, the School had total funds of £2,217,548 (2023 - £2,614,614). Included in total funds is an amount of £22,028 (2023 - £22,028) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise contributions subject to donor-imposed conditions. Full details of these restricted funds can be found in note 13 to the financial statements together with an analysis of movements in the year.

Unrestricted funds of the charity at 31 August 2024 amounted to £2,195,520 (2023 - £2,592,586), which are net of a £0.8m CBILS loan. These funds include tangible fixed assets with a net book value of £1,692,660 (2023 - £302,851) which are needed for the School's day-to-day operations. At the end of the financial year, the level of free reserves of the School stood at £502,860 (2023 - £2,289,735).

Governance, structure and management

Constitution

London Film School Limited ("LFS" or "the School") is a registered charity (Charity Registration No. 270302) and a company limited by guarantee (Company Registration No. 01197026). The charitable company's memorandum and articles of association dated 21 January 1975 (as amended by special resolution of 21 July 1975 and 13 May 2008) are its primary governing documents.

Members' liability

The liability of the members in the event of winding up is limited to 50 pence per member.

Governors

The Governors of the School also constitute directors of the charitable company for the purposes of company law and trustees for charity law. This report is also a directors' report as required by section 415 of the Companies Act 2006. The Governors who held office during the financial year and at the date of signing this report are set out on page 1.

Governors are appointed by election at the Annual General Meeting (AGM). The Student Governor is elected by students and the Staff Governor is elected by the staff.

Members of the Management Team, as set out on page 1, cannot be appointed as Governors of the School.

Governors report Year to 31 August 2024

The size of the Governing Body is set between 8 and 25 Governors. Approximately one third of the Governing Body retire annually, by rotation in order of seniority, and can offer themselves for re-election at the AGM.

The Nominations Committee undertakes a skills analysis of the Governing Body and role profiles are agreed, against which the School recruits new Governors. Governors must have empathy with film and the creative industries. Newly appointed Governors receive a full induction to the School, bespoke to their needs. The Governing Body regularly holds an away day, joined by members of the Management Team.

Organisation

The Governing Body met seven times in the year, from 1st September 2023 until 31st August 2024.

Its governance structure includes four committees:

- ◆ a Nominations Committee to oversee the appointment, induction and development of its governors;
- ◆ a Remuneration Committee to decide and agree the remuneration for the Director and senior members of staff,
- ◆ an Audit & Risk Committee to advise on risk, internal control, governance and promoting value for money; and
- ◆ a Relocation Committee, to review the School's estates strategy and oversee progress of renewing its facilities.

The Governing Body also receives minutes from the Academic Board as a line of sight on academic matters.

The strategic priorities are focussed on by the Director and the Management Team.

The day-to-day running of the School is delegated to the Chief Operating Officer and the Management Team.

Key management personnel

The key management personnel of the School comprise the Governors and the Management Team.

The Management Team are a dedicated team of management personnel that have the authority and responsibility of planning, directing and controlling the activities of the School directly or indirectly. Within the School this includes the Director, Director of Studies, Chief Operating Officer, Head of Marketing, Academic Registrar, Head of Finance and Head of HR. Course Leaders for each of the MA programmes have also joined the Management Team ensuring greater visibility of academic matters and greater academic inclusion. The Management Team meets formally on a monthly basis, with minutes of each meeting shared with all staff, (see Note 7).

Governors report Year to 31 August 2024

Statement of governors' responsibilities

The Governors (who are also directors of The London Film School Limited for the purpose of company law) are responsible for preparing the governors' report and financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgements and 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; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Governors confirms that:

- ◆ as far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ they have taken all the steps that they ought to have taken as a governor in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Risk management

The Governors have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the School and its finances. The Governors believe that by monitoring reserves levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the School, they have established effective systems to mitigate those risks. Our keys risks include:

Regulatory Environment

As a registered Higher Education Provider under the Office for Students, LFS is subject to considerable regulatory oversight aimed at ensuring its courses offer high levels of quality and value for money. In order to ensure ongoing compliance with the regulatory environment the School has made further progress in reviewing and updating the School's policy frameworks, with an emphasis on quality assurance, and regular internal monitoring and reviews.

Governors report Year to 31 August 2024

LFS' continued membership of CILECT, the confederation of international film schools, and also of GuildHE, ensures it has a supportive network of providers in the same field with whom to share and learn best practice.

LFS is also subject to considerable regulatory oversight from our validating partner the University of Warwick and delivery partner (for the MA International Film Business and PhD programmes) the University of Exeter to ensure that its courses offer high level of quality and student outcomes.

Facilities

The School's ageing facilities at 24 Shelton Street require ongoing maintenance and updates to ensure it continues to be a space usable for all levels of film education. Since our last annual report, significant renovation of several major spaces throughout the building have taken place.

Relationship with other organisations

In pursuit of its strategic objectives of building new connections, the School works with several organisations across screen industries, training partners and public bodies: including training partners such as the University of Exeter, University of Warwick, NAHEMI, CILECT, the Deutsche Film und Fernsehakademie Berlin (DFFB), and UGC Series Mania.

Screen industry partners such as Panalux, many film festivals, plus platforms including MUBI and Omeleto, support the distribution work of LFS's fresh filmmaking talent around the world.

To support alignment and complementarity with other initiatives in the UK, partners across UK-wide, and London-specific public bodies have included the British Film Institute, Film London's Equal Access Network, Creative England's iFeatures scheme, the British Council and many more.

Approved by the Governing Body and signed on its behalf by:



Greg Dyke

Chair of Governors

Approved by the Governors on: 30 January 2025

Governors report Year to 31 August 2024

Statement of corporate governance and internal control

The following statement is provided to enable readers of the annual report and financial statements of London Film School Limited to obtain a better understanding of its governance and legal structure. The statement covers the period from 1 September 2023 to 31 August 2024 and up to the date of the approval of the annual report and financial statements.

The School endeavours to conduct its business:

1. Having due regard to the UK Corporate Governance Code 2024 in so far as it is applicable to the Higher Education Sector; and
2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities.

We have adopted the UK Corporate Governance Code. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code that we consider relevant to the Higher Education Sector.

The Governors recognise that the School, as a body entrusted with both public and private funds, has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

The London Film School is a Registered Charity and a Private Limited Company by guarantee without share capital.

The Governors confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

Governors

The members who served as Governors during the year and up to the date of signature of this report are listed below.

Governor	Appointed/Resigned
Greg Dyke (Chair)	
Amanda Nevill (Vice Chair)	
Kemal Akhtar	
Suzy Black	
Peter Holliday	Resigned 17/07/2024
Nicholas Humby	
Olivier Kaempfer	
William MacPherson	
Cindy Rampersaud	Resigned 17/07/2024
Gregory Randolph (Student Governor)	Resigned 21/02/2024
Ellinor Olindor	Appointed 21/02/2024
Joan Watson	
Sophia Wellington (Staff Governor)	

Governors report Year to 31 August 2024

Meeting procedures

Formal agendas, papers and reports are supplied to the Governors in a timely manner, prior to Governing Body meetings. Briefings are also provided on an ad hoc basis. Reports include overall financial performance of the School together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety issues. The Governing Body met 7 times in 2023/24.

The Governing Body receives advice on the conduct of its business from five committees. Each committee has its own terms of reference which have been approved by the Governing Body. These committees are: Audit and Risk; Nominations; Remuneration; Relocation; and the Academic Board.

London Film School has a strong and independent non-executive element, and no individual or group dominates its decision-making process. The School considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement. There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

Appointment to the Governing Body

The Nominations Committee undertakes a skills analysis of the Governing Body and role profiles are agreed, against which the School recruits new Governors. New Governors must have empathy with film and creative art industries. Their induction includes a tour of the School, screenings and from time to time an away day attended by the Governing Body, the principal officers and the wider Management Team. An information pack about the School is also given to each new Governor.

Governing Body performance

The Governing Body has made a strong contribution to the improvements made in 2023/24 through the setting of challenging targets with regular scrutiny of performance. There is strong performance management at Governing Body meetings. The Governors provide robust scrutiny and challenge. Governors are pro-active in their oversight of the School and are involved in the planning and discharging of Governing Body business.

Committees

Audit and Risk Committee

The Audit and Risk Committee is responsible to the Governing Body in discharging its responsibilities for monitoring the integrity of the School's financial statements, the effectiveness of financial controls with regard to internal risk assessment and the performance and objectivity of external auditors.

The members who served on the committee during the year and up to the date of signature of this report are listed below.

Governor	Appointed/Resigned
Peter Holliday	Resigned 17/07/2024
Nicholas Humby (Committee Chair)	
Cindy Rampersaud (retired Committee Chair)	Resigned 17/07/2024
William McPherson	
Joan Watson	

The Audit & Risk Committee is responsible for the following:

Governors report Year to 31 August 2024

- ◆ To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings included within the management letter and management responses.
- ◆ To satisfy itself that all public funds received by the School's are managed in line with regularity, propriety, and value for money.
- ◆ To satisfy itself that satisfactory arrangements are in place to promote best value, and to monitor other performance as shall be deemed to be reliable and appropriate measure of effectiveness.

Internal Control

Scope of responsibility

The Governing Body is ultimately responsible for the organisations' system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Director & CEO, a Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the organisations policies, aims and objectives, whilst safeguarding the public funds and assets. The Accounting Officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure and can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of organisation policies, aims and objectives to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place at the organisation for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governors have reviewed the key risks to which the organisation is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governors are of the view that there was a formal on-going process for identifying, evaluating and managing the School's significant risks that had been in place for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

The risk and control framework

The system of internal control is based on a framework of regular management information administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- ◆ comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Governors
- ◆ regular reviews by the Governing Body of periodic and annual financial reports which indicate financial performance against forecasts
- ◆ setting targets to measure financial performance
- ◆ the adoption of formal project management disciplines, where appropriate.

Review of effectiveness

The Accounting Officer delegates to the Head of Finance the responsibility for reviewing the effectiveness of the system of internal control. The Head of Finance's review of the effectiveness of the system of internal control is informed by:

- ◆ the work of the external auditors;

Governors report Year to 31 August 2024

- ◆ the work of the senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework; and
- ◆ comments made by the organisation's financial statements auditors in their management letters and other reports.

There are no significant internal control weaknesses reported for the period.

The Management Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms which are embedded within the departments. The Management Team and the Audit and Risk Committee also receive regular reports, which include recommendations for improvement.

The Audit and Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Governors' agenda includes a regular item for consideration of risk and control and receives reports thereon from the Management Team and the Audit and Risk Committee.

Based on above and reports by the Director & CEO, the Governing Body is of the opinion that the organisation has an adequate and effective framework for governance, risk management and control to manage the achievements of the School's objectives for the year ended 31 August 2024 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Regularity, propriety, and compliance

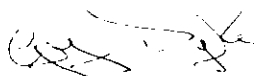
The School has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the School, that after due enquiry and to the best of its knowledge the Governing Body believes it is able to identify any material irregularity or improper use of funds by the School, or material non-compliance with terms and conditions of funding under the organisation's financial regulations. As part of our consideration we have had due regard to our financial regulations. We confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Going Concern

Details on Governors' going concern assessment are set out on pages 22 to 23.

Approved by the Governing Body and signed on its behalf by:



Greg Dyke
Chair of Governors
Date: 30 January 2025



Chris Auty
Director & CEO (Accounting Officer)

**Independent auditor's report to the members of The London Film School Limited
Opinion**

We have audited the financial statements of London Film School Limited for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Office for Students Accounts Direction.

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 charitable 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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.

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 Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Matters on which we are required to report in respect of the Office for Students

In our opinion, in all material respects:

- funds administered by the charitable company for specific purposes during the year ended 31 August 2024 as disclosed in note 13, have been applied to those purpose and managed in accordance with relevant legislation;
- funds provided by the OfS have been applied in accordance with the terms and conditions attached to them during the year ended 31 August 2024; and

We have nothing to report in respect of the following matter in relation to which the Office for Students requires us to report where:

- grant and fee income, as disclosed in the note 2 to the accounts, has been materially misstated.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Governors' Responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable 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.

Independent auditor's report Year to 31 August 2024

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Office for Students and the Charity Law, health and safety, GDPR and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and the Office for Students Accounts Direction.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to potential for management to post inappropriate journal entries and to manipulate accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Tracey Young
Senior Statutory Auditor
For and on behalf of HaysMac LLP
Statutory Auditors
Date: 6 February 2025

10 Queen Street Place
London, EC4R 1AG

Statement of Financial Activities Year to 31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Income from:							
Donations	1	—	—	—	27	—	27
Charitable activities	2	7,179,927	83,707	7,263,634	7,776,549	67,606	7,844,155
Investments		80,092	—	80,092	47,182	—	47,182
Miscellaneous income		126,453	—	126,453	63,343	—	63,343
Total income		7,386,472	83,707	7,470,179	7,887,101	67,606	7,954,707
Expenditure on:							
Raising funds	3	—	—	—	14,157	—	14,157
Charitable activities		—	—	—	—	—	—
Provision of education	4	7,783,538	83,707	7,867,245	6,393,787	65,984	6,459,771
Total expenditure		7,783,538	83,707	7,867,245	6,407,944	65,984	6,473,928
Net movement in funds	6	(397,066)	—	(397,066)	1,479,157	1,622	1,480,779
Reconciliation of funds							
Fund balances brought forward at 1 September		2,592,586	22,028	2,614,614	1,113,429	20,406	1,133,835
Fund balances carried forward at 31 August		2,195,520	22,028	2,217,548	2,592,586	22,028	2,614,614

There is no difference between the net movement in funds stated above and the historical cost equivalent.


All of the charitable company's activities are derived from continuing operations during the above two financial periods. Income from charitable activities includes the Office for Students World Leading Specialist Provider funding.

The charitable company has no recognised gains and losses other than those shown above.

Balance sheet Year to 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible fixed assets	9		<u>1,692,660</u>		<u>302,851</u>
Current assets					
Debtors	10	682,863		722,348	
Cash at bank and in hand		<u>3,358,622</u>		<u>4,662,072</u>	
		4,041,485		5,384,420	
Liabilities					
Creditors: amounts falling due within one year	11	<u>(3,016,597)</u>		<u>(2,272,657)</u>	
Net current assets			1,024,888		3,111,763
Total assets less current liabilities			2,717,548		3,414,614
Creditors: amounts falling due after more than one year	12		(500,000)		(800,000)
Net assets			2,217,548		2,614,614
The funds of the charity					
Restricted funds	13		22,028		22,028
Unrestricted funds					
. General fund			502,860		2,289,735
. Tangible fixed assets fund	14		1,692,660		302,851
Total funds	17		2,217,548		2,614,614

Approved by the governors and signed on their behalf by:



Greg Dyke
Chair of Governors

Approved on: 30 January 2025
London Film School Limited
Company Limited by Guarantee
Registration Number 01197026 (England and Wales)

Statement of cash flows Year to 31 August 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	479,352	1,709,260
Cash inflow from investing activities:			
Investment income		80,092	47,182
Payments to acquire tangible fixed assets		(1,529,894)	(190,910)
Net cash used in investing activities		(1,449,802)	(143,728)
Cash flows from financing activities:			
Repayment of loan		(300,000)	(300,000)
Interest payable		(33,000)	(42,000)
Net cash used in financing activities		(333,000)	(342,000)
Change in cash and cash equivalents in the year		(1,303,450)	1,223,532
Cash and cash equivalents at 1 September	B	4,662,072	3,438,540
Cash and cash equivalents at 31 August	B	3,358,622	4,662,072

Notes to the statement of cash flows for the year ended 31 August 2024

A Reconciliation of net movement in funds to net cash provided by operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	(397,066)	1,480,779
Adjustments for:		
Depreciation	140,084	91,920
Investment income	(80,092)	(47,182)
Interest payable	33,000	42,000
Decrease/(increase) in debtors	39,485	175,735
(Decrease)/increase in creditors	743,941	(33,992)
Net cash inflow from operating activities	479,352	1,709,260

B Analysis of changes in net debt

	2023 £'000	Cash flows £'000	Non-cash flows £'000	2024 £'000
Cash at bank and in hand	4,662,072	(1,303,450)		3,358,622
CBILS loan < 1 year	(300,000)	300,000	(300,000)	(300,000)
CBILS loan > 1 year	(800,000)	—	300,000	(500,000)
Total net debt	3,562,072	(1,003,450)		2,558,622

Principal accounting policies Year to 31 August 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 August 2024 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) second edition effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Governors and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ determining the provision for bad and doubtful debts; and
- ◆ determining the value of provisions for liabilities.

Assessment of going concern

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

In the course of preparing these accounts the Governing Body have had regard to the School's financial forecasts, including a series of 'reasonable worst case' scenarios such as shortfalls in student recruitment, overruns in capital project costs, and delay or cancellation of the launch of new course offerings. The likely impact of inflation on running costs and knock-on effects of cost of living pressures on operational matters including pay, recruitment and retention have also been modelled.

Assessment of going concern (continued)

Balanced against these downside pressures are improvements in several key aspects of the School's operating environment. The award of World-Leading Specialist Provider status carries a significant funding commitment from the Office for Students. The move to Parker Street has been reviewed by the Relocation Committee on an ongoing basis through scenario modelling to ensure that the School has sufficient resources to meet its liabilities as they fall due. The outturn was an improvement on in-year forecasts and largely reflecting considerable improvements in financial control, monitoring and forecasting.

The Governing Body have concluded that there are no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises grants and donations, tuition fees and charges, interest received and other income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from charitable activities includes tuition fees and grants. The income is generally recognised in the period to which the fees or grants relate.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity 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 includes attributable VAT which cannot be recovered.

Expenditure comprises the costs of charitable activities including expenditure on the provision of education and associated support and governance costs.

Assessment of going concern (continued)

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life as follows:

- ◆ Cinema equipment - five years
- ◆ Fixtures, fittings and equipment - five years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments

The School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Principal accounting policies Year to 31 August 2024

Pension costs

Contributions by the School in respect to a defined contribution pension scheme are charged to the statement of financial activities in the period in which they are payable.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Designated funds comprise those resources which may be used towards meeting the charitable objectives of the School, but which have been set aside out of the general funds and designated for specific purposes by the Governors.

The tangible fixed assets fund comprises non-liquid funds represented by the net book value of tangible fixed assets.

The unrestricted general fund represents those monies which are freely available for application towards achieving any charitable purpose that falls within the School's charitable objects.

Notes to the financial statements Year to 31 August 2024

1 Donations

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
2024 Total funds: Donations	—	—	—
<i>2023 Total funds: Donations</i>	27		27

2 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Tuition fees and charges	6,547,087	—	6,529,087
Less: bursaries awarded	(82,160)	—	(82,160)
	6,464,927	—	6,464,927
Grant income from the Office for Students	715,000	4,744	719,744
Grant income from Leverhulme Trust	—	78,963	78,963
	7,179,927	83,707	7,263,634

	Unrestricted funds £	Restricted funds £	2023 Total funds £
<i>Tuition fees and charges</i>	6,392,063	—	6,392,063
<i>Less: bursaries awarded</i>	(59,426)	—	(59,426)
	6,332,637	—	6,332,637
<i>Grant income from the Office for Students</i>	1,443,912	21,724	1,465,636
<i>Grant income from Leverhulme Trust</i>	-	45,882	45,882
	7,776,549	67,606	7,844,155

During the year ended 31 August 2024, 4 (2023 – 4) students received a bursary to support their tuition fees. The amounts shown above include £3,051 (2023 - £13,544) directly from the School, in 2024, and £79,109 (2023 - £45,882) from funding received from the Leverhulme Trust.

Notes to the financial statements Year to 31 August 2024

3 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Staff costs	—	—	—
Total funds	—	—	—

	Unrestricted funds £	Restricted funds £	2023 Total funds £
Staff costs	14,157	—	14,157
Total funds	14,157	—	14,157

4 Expenditure on charitable activities – provision of education

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Direct costs			
. Staff costs	2,373,381	26,571	2,399,952
. Visiting lecturers	519,186	5,812	524,998
. Premises	476,699	5,337	482,036
. Production allowances and costs	461,642	5,168	466,810
. Repairs and technical maintenance	217,231	2,432	219,663
. Depreciation	138,533	1,551	140,084
. IT costs	237,786	—	237,786
. Marketing costs	68,826	—	68,826
. Other costs	565,837	6,335	572,172
. Studio & space hire	853,388	9,554	862,942
	5,912,509	62,760	5,975,269
Support costs			
. Staff costs	1,171,130	13,112	1,184,242
. Legal and professional	269,142	890	270,032
. Other costs	329,181	3,685	332,866
. Interest Payable	33,000	—	33,000
. Governance costs (note 5)	68,576	3,260	71,836
	1,871,029	20,947	1,891,976
2024 Total funds	7,783,538	83,707	7,867,245

Notes to the financial statements Year to 31 August 2024

4 Expenditure on charitable activities – provision of education (continued)

	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>2023 Total funds</i> £
<i>Direct costs</i>			
. Staff costs	2,060,615	26,722	2,087,337
. Visiting lecturers	478,775	6,209	484,984
. Premises	522,717	4,435	527,152
. Production allowances and costs	471,139	6,623	477,762
. Repairs and technical maintenance	91,279	925	92,204
. Depreciation	91,121	799	91,920
. IT costs	175,234	—	175,234
. Marketing costs	56,391	—	56,391
. Other costs	385,967	3,616	389,583
. Studio & space hire	166,305	1,677	167,982
	<u>4,499,543</u>	<u>51,006</u>	<u>4,550,549</u>
<i>Support costs</i>			
. Staff costs	1,011,699	8,768	1,020,467
. Legal and professional	559,695	502	560,197
. Other costs	195,613	3,910	199,523
. Interest Payable	42,000	—	42,000
. Governance costs (note 5)	85,237	1,798	87,035
	<u>1,894,244</u>	<u>14,978</u>	<u>1,909,222</u>
<i>2023 Total funds</i>	<u>6,393,787</u>	<u>65,984</u>	<u>6,459,771</u>

5 Governance costs

	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	2024 Total funds £
Audit and advisory fees	26,584	453	27,037
Other professional costs	41,992	2,807	44,799
2024 Total funds	<u>68,576</u>	<u>3,260</u>	<u>71,836</u>
	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>2023 Total funds</i> £
Audit and advisory fees	23,424	1,296	24,720
Other professional costs	61,813	502	62,315
<i>2023 Total funds</i>	<u>85,237</u>	<u>1,798</u>	<u>87,035</u>

Notes to the financial statements Year to 31 August 2024

6 Net movement in funds

This is stated after charging:

	2024	2023
	£	£
Depreciation – owned assets	140,084	91,920
Operating lease rentals – Land and buildings	148,727	338,097
Operating lease rentals – Equipment hire	245,953	101,783
Auditor's remuneration (including VAT)		
. Statutory audit	28,200	21,500
. Other services	3,960	3,000
Staff costs (including visiting lecturers) (note 7)	4,109,190	3,606,945

7 Staff costs

	2024	2023
	£	£
Wages and salaries	2,826,614	2,567,224
Other staff costs	370,608	217,291
Social security costs	302,857	273,727
Pension costs	84,113	63,719
	3,584,192	3,121,961

In addition to the staff costs disclosed above, the amount paid to visiting lecturers used by the School in year was £524,998 (2023 – £484,984).

During the year, termination payments of £114,989 (2023: £34,630) were made.

The average number of employees, excluding visiting lecturers and temporary staff, during the year was as follows:

	2024	2023
	Number	Number
Provision of education		
. Academic staff	39	42
. Support staff	18	22
	57	64

Notes to the financial statements Year to 31 August 2024

7 Staff costs (continued)

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2024	2023
	Number	Number
£60,001 - £65,000	3	4
£65,001 - £70,000	2	—
£75,001 - £80,000	—	1
£80,001 - £85,000	—	1
£90,001 - £95,000	—	1
£95,001 - £100,000	1	—
£105,001 - £110,000	1	—
£120,001 - £125,000	1	—
	8	7

The key management personnel of the charity in charge of directing and controlling, running and operating the charity comprise the governors and the Management Team as detailed on page 1. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £1,093,077 (2023 – £848,662).

During the year, staff governors received remuneration only in relation to their roles as staff members. No member(s) of the governing body received any remuneration in respect of their services as governors during the year (2023 – £nil).

No expenses were reimbursed to the governing body members during the year (2023 - £nil).

Remuneration of Director and Chief Executive Officer

	CEO to 5 Nov 2023 £	CEO to 31 Aug 2024 £	2024 £	2023 £
Basic salary	39,693	106,833	146,526	114,518
Bonus	—	—	—	—
Pension contribution	440	—	440	1,452
Compensation for loss of office	—	—	—	—
	40,133	106,833	146,966	115,970

The remuneration package of senior members of staff, including the Director and Chief Executive Officer, is subject to review by the Remuneration Committee who use benchmarking information to provide objective guidance.

The Director and Chief Executive Officer reports to the Chair of the Board, who undertakes an annual review of his performance against the School's overall objectives using both qualitative and quantitative measures of performance.

Notes to the financial statements Year to 31 August 2024

	2024 £	2023 £
Chief Executive's basic salary as a multiple of the median of all staff	3.68	3.08
Chief Executive's total remuneration as a multiple of the median of all staff	3.69	3.12

During 2023/24 the previous Chief Executive Officer left the School on 5 November, 2023 and the presiding Chief Executive Officer joined the School on 6 November, 2023 on a full-time basis.

8 Taxation

The London Film School Limited is a registered charity and therefore is not liable to income tax or corporation tax derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Leasehold Premises in Course of Construction £	Cinema equipment £	Fixtures, fittings and computer equipment £	Total £
Cost				
At 1 September 2023	—	469,930	131,874	601,804
Additions	401,753	311,150	816,991	1,529,894
Disposals	—	(52,299)	(6,203)	(58,502)
At 31 August 2024	401,753	728,781	942,662	2,073,196
Depreciation				
At 1 September 2023	—	247,933	51,020	298,953
Charge for the year	—	92,476	47,608	140,084
Disposals	—	(52,299)	(6,202)	(58,501)
At 31 August 2024	—	288,110	92,426	380,536
Net book values				
At 31 August 2023	—	221,997	80,854	302,851
At 31 August 2024	401,753	440,671	850,236	1,692,660

10 Debtors

	2024 £	2023 £
Trade debtors	62,792	109,863
Other debtors	57,733	75,243
Prepayments and accrued income	562,338	537,242
	682,863	722,348

Notes to the financial statements Year to 31 August 2024

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	657,855	312,884
Accruals and deferred income	1,653,594	1,145,452
Sundry creditors	405,148	514,321
CBILS Loan (see note 12)	300,000	300,000
	3,016,597	2,272,657

	2024 £	2023 £
Deferred income at 1 September	853,308	1,259,412
Released during the year	(853,308)	(1,259,412)
Resources deferred in the year	963,159	853,308
Deferred income at 31 August	963,159	853,308

Deferred income consists principally of fee income received in advance.

12 Creditors: amounts falling due in more than one year

	2024 £	2023 £
CBILS Loan	500,000	800,000

Maturity of debt	2024 £	2023 £
CBILS loan repayable within one year	300,000	300,000
CBILS loan repayable between one and two years	300,000	300,000
CBILS loan repayable between two and five years	200,000	500,000
	800,000	1,100,000

The CBILS loan was drawn down in full in April 2021 with a fixed interest rate of 2.42% above the base rate per annum. The first year is interest and repayment free; the balance is then to be repaid over five years at £25,000 per month plus interest from May 2022. The bank has a debenture charge over the property and undertakings of the company.

Notes to the financial statements Year to 31 August 2024

13 Restricted funds

The income funds of the School include restricted funds comprising the following unexpended balances of grants and donations to be applied for specific purposes.

	At 1 September 2023 £	Income £	Expenditure £	Transfer between funds £	At 31 August 2024 £
Office for Students	—	4,744	(4,744)	—	—
Skillset Academy Fund	5,692	—	—	—	5,692
Adam Sedgwick Award	5,010	—	—	—	5,010
Leverhulme fund	11,326	78,963	(78,963)	—	11,326
	<u>22,028</u>	<u>83,707</u>	<u>(83,707)</u>	<u>—</u>	<u>22,028</u>

	At 1 September 2022 £	Income £	Expenditure £	Transfer between funds £	At 31 August 2023 £
Office for Students	—	21,724	(21,724)	—	—
Skillset Academy Fund	5,692	—	—	—	5,692
Adam Sedgwick Award	5,010	—	—	—	5,010
Leverhulme fund	9,704	45,882	(44,260)	—	11,326
	<u>20,406</u>	<u>67,606</u>	<u>(65,984)</u>	<u>—</u>	<u>22,028</u>

Office for Students fund

The Office for Students fund is restricted to supporting teaching through spend related to the delivery of course costs.

Skillset Academy fund

The Skillset Academy fund is restricted to the funding of bursaries for the Skillset Screen Academy Project, specific new teaching and associated overheads.

Adam Sedgwick Award

The Adam Sedgwick Award is restricted to the funding of a grant to help a graduating student after the completion of the course.

Leverhulme fund

The Leverhulme Trust has donated to this fund which is dedicated to applicants of high academic standard who could not otherwise continue their studies throughout the academic year and beyond without funding assistance.

Notes to the financial statements Year to 31 August 2024

14 Tangible fixed assets fund

	2024 £	2023 £
At 1 September	302,851	203,861
Net movements in year	1,389,809	98,990
At 31 August	1,692,660	302,851

The tangible fixed assets fund represents the net book value of the School's fixed assets. A decision was made to separate this fund from the other unrestricted funds of the School in recognition of the fact that the tangible fixed assets are essential to the day-to-day operation of the School. The fund value, therefore, cannot be easily realised without jeopardising the ongoing operation of the School.

15 Operating lease commitments

At 31 August the School had the following future minimum commitments under non-cancellable operating leases:

	Equipment		Land and buildings	
	2024 £	2023 £	2024 £	2023 £
Operating lease payable:				
Within one year	—	—	89,400	89,400
	-	—	89,400	89,400

The lease renewals for both properties occupied by the School are in place including clauses which allow the School a break option subject to giving six months' notice. This will enable a move to new premises once the development project is complete.

16 Related and connected parties disclosure

The School paid £840 to a supplier for services provided during the year ended 31 August 2024 (2023:£nil). The supplier is the partner of a Governor.

Note 7 details no further disclosures.

17 Analysis of Net Assets Between Funds

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Fixed Assets	1,692,660	-	1,692,660
Net current assets	1,002,860	22,028	1,024,888
Long term liabilities	(500,000)	-	(500,000)
2024 Total	2,195,520	22,028	2,217,548

17 Analysis of Net Assets Between Funds (continued)

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>2023 Total funds</i>
	£	£	£
<i>Fixed Assets</i>	302,851	-	302,851
<i>Net current assets</i>	3,089,735	22,028	3,111,763
<i>Long term liabilities</i>	(800,000)	-	(800,000)
<i>2023 Total</i>	<u>2,592,586</u>	<u>22,028</u>	<u>2,614,614</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.